Daily Report

Latin America

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G-77 Cuban Delegation Head: Resist To Victory

PA0109171793 Panama City ACAN in Spanish 1916 GMT 30 Aug 93

[Text] Panama City, 30 Aug (ACAN-EFE)—The Cuban people and Fidel Castro are ready to resist "for another century" the economic blockade imposed 34 years ago by the United States, Angel Gomez Trueba, president of the Cuban delegation attending the VIII meeting of the Group of 77 [G-77], stated today in Panama. "We have resisted 34 years; we can resist another 100 years. The worst part is the beginning but after a while you get used to it. But it is President Castro's position to resist until victory is achieved," he stresssed.

Angel Gomez Trueba, who rejected the notion that Fidel Castro is the last "dinosaur" in the new political era, recognized that the dissolution of the Soviet Union had a tremendous effect on the Cuban standard of living. "The disintegration of the Moscow regime affected us a great deal because we maintained very significant commercial relations in economic and military cooperation. There are no longer USSR military forces in Cuba," Gomez Trueba asserted.

Meanwhile, the president of the Cuban delegation affirmed that "very few political prisoners remain" on the Caribbean island, he did not specify the number, and said they were imprisoned for terrorist acts, not for spreading their political thinking on Havana street-corners. "The inmates were imprisoned for acts of terrorism, for launching combat military-type measures against the government of President Fidel Castro," Gomez Trueba emphasized. He also noted that "in Cuba there is really no strong opposition to Castro's regime but rather a strong media campaign targeting us."

Gomez Trueba heads the Cuban delegation in Panama, which together with representatives of 60 other developing nations and international organizations, is studying how to enhance cooperation programs and seek alternatives to restructuring economic relations with developed countries on a more just and equitable basis. The G-77 Economic Cooperation Committee, created in Geneva in 1964 to strengthen unity and defend the interests of developing countries, will discuss cooperation programs in energy, commerce, and finance until 4 September.

OAS Secretary General Baena Soares on Nicaragua

PA0809163393 Santa Fe de Bogota Emisoras Caracol Network in Spanish 1200 GMT 8 Sep 93

[Telephone interview with Joao Baena Soares, OAS secretary general, on the crisis in Nicaragua, by station announcer—live]

[Text] [Announcer] Good morning. Do you think a solution can be found in Nicaragua?

[Baena Soares] I beg your pardon?

[Announcer] Do you think a democratic solution can be found in Nicaragua?

[Baena Soares] Yes, despite the difficulties. Every person I have spoken to has expressed the firm determination to consolidate a democratic process in the country. With the proper spirit of cooperation, the negotiation can still be stepped up.

[Announcer] Has the National Opposition Union [UNO] agreed to hold a direct dialogue with the government and the Sandinists?

[Baena Soares] There has already been a bilateral dialogue between the UNO and government. There have also been contacts between the Sandinist National Liberation Front [FSLN] and the UNO. A tripartite dialogue, which was proposed since the outset, is now being sought.

[Announcer] Do you think this tripartite dialogue can be agreed upon to try to solve the crisis?

[Baena Soares] I will decide today, during my stay in Nicaragua, whether I can help, through the contacts I will make, the Nicaraguans themselves find solutions to their own problems through dialogue. If I see that the difficulties are still too big, I will return and make the contacts I deem necessary.

[Announcer] It is clear that Defense Minister Humberto Ortega is in the eye of the storm. Do you think President Violeta de Chamorro will confirm him or that he will be removed in 1994 as the result of circumstances?

[Baena Soares] [Words indistinct]. The president herself has already spoken clearly.

[Announcer] It has been speculated that, if the circumstances in Nicaragua do not change, there could be civil war. Do you think this is probable?

[Baena Soares] The situation is difficult, and there is a lot of bitterness. The crisis is both political and economic. The two situations are (?interlocked) and should be considered as a whole. As you know, the international community is willing to cooperate through the foreign ministers of the Group of Three, Colombia, Mexico, and Venezuela. [Words indistinct]

[Announcer] Is Chamorro's Presidency at risk?

[Baena Soares] I do not think so.

Central American Presidents Support Chamorro

PA0809132793 San Salvador EL DIARIO DE HOY in Spanish 6 Sep 93 pp 5, 48

[Communique issued by Central American presidents "in Central America" on 3 September]

[Text] The presidents of Costa Rica, El Salvador, Guatemala, Honduras, and Panama, considering the events that took place yesterday in Managua, Republic of Nicaragua, express:

1. Our severe reprobation of any act that challenges or attempts to challenge Nicaragua's constitutional order and political stability.

2. Our decided and firm support for the Nicaraguan Constitutional Government, presided over by Dona Violeta Barrios de Chamorro. We especially support all steps she takes, as part of her responsibilities as stipulated in the Constitution and the laws of Nicaragua, to achieve political, economic, and social stability in that neighboring country.

3. Our deep conviction that the Armed Forces must be subordinate to the legitimately constituted Civilian Branch. This is an indispensable requirement, necessary for the existence of an authentically democratic regime.

4. Our demand that there be due respect for the authority and high-ranking investiture of Dona Violeta Barrios de Chamorro as president of Nicaragua and our fraternal call to all political, economic, and social forces in that country and the people of Nicaragua in general to support the upcoming national dialogue so that it can yield fruits of peace, democracy, and development that will benefit the country and the region.

[Issued in] Central America

[Dated] 3 September 1993

Cuba

ANPP Official Osvaldo Martinez Interview on Economy

FL0809140393 Havana Radio Rebelde Network in Spanish 1700 GMT 7 Sep 93

[First installment of two part interview with Osvaldo Martinez, director of Global Economy Research Center and president of the National Assembly of the People's Government Committee for Economic Affairs, by Radio Havana Cuba journalist Barbara Betancourt, place and date not given—recorded]

[Text] [Betancourt] In what areas will the committee work? When will it be established?

[Martinez] The committee is going to be established on 13 September. It will cover, particularly, global economic issues. In its first phase, the committee will not deal with specific issues such as the operation of enterprises or specific economic issues of this type but will focus on general economic policy measures which could be used to confront this situation.

[Betancourt] The Cuban state has already begun to take certain steps. In the next session of the National Assembly of the People's Government [ANPP], is it planned that this committee will present some type of a report or generate a debate on the economic situation in the country?

[Martinez] I cannot affirm precisely if it will happen in the next session, but I believe it is possible that in the next few months, either during the regular session or some special occasion, the ANPP will have to debate theses issues and, of course, the Economic Affairs Committee has certain responsibilities in this regard. This is what we have been trying to do from the onset: To prepare the deputies, increase the level of information and handling of these issues in preparation for the debates which will logically take place in the ANPP.

[Betancourt] The opening which foreign private capital is already experiencing in Cuba and the recent decriminalization of dollars has introduced dollars as a player in the Cuban economy. What is expected from this measure? Also, is there talk of other measures linked perhaps to this one?

[Martinez] I believe that the recent measure decriminalizing the possession of foreign currency, including dollars, has to be viewed in the context of the situation the Cuban economy is experiencing. I will not attempt to list the events, which are many and are very complex, between 1989 and 1993. We have to keep in mind that between 1989 and 1992, the import capability of the Cuban economy dropped about 73 percent. In other words, from approximately $8 billion in 1989 to a little over $2 billion in 1992. This is the result of the compounded effect of the disappearance of the Soviet Union and the collapse of the Socialist Bloc. This was followed by the disappearance of the type of economic relations Cuba maintained with those countries, in addition to the heightened presence of the U.S. blockade recently strengthened by the Torricelli Law. To this situation, which by itself was already dire, we have to add the drop in sugarcane production of the last harvest. This has represented approximately a drop of $500 million in export income. This makes our import capacity drop even below $2 billion a year.

Obviously, in this context, the measure of decriminalizing the possession of hard currency has to be viewed as a need. In other words, the Cuban economy cannot afford to disdain the income resulting from the decriminalization of hard currency and the monetary consignments the exile community might make. I believe it has to be viewed in this context. Therefore, what is expected from this measure, which was your original question, is of course to collect hard currency which is essential at this time. We also have to point out the phenomenon of economic emigration and the collection of income resulting from this economic emigration is common worldwide. Numerous developing countries presently use this as an important source of income. Our emigration is mostly an economic emigration. Therefore, I believe it would be thoughtless to disdain this type of income.

Osvaldo Martinez on Foreign Exchange

FL0809202493 Havana Radio Rebelde Network in Spanish 1700 GMT 8 Sep 93

[Second installment of interview with Osvaldo Martinez, director of the Global Economy Research Center, CIEM, and president of the Economic Affairs Commission of the National Assembly of the People's Government, by Radio Havana Cuba journalist Barbara Betancourt; place and date not given—recorded]

[Text] [Betancourt] Martinez, can we expect that at some time, I am not going to specify short or medium term, there will be a solution to the problem of the two levels of consumers that still exist in the country: those who have dollars or some other type of foreign exchange and those who do not?

[Martinez] I think that above all, the current situation, in which there is a dividing line between those who have dollars and those who have none, must be seen as a transitory or temporary situation, so to speak. I believe this current situation must be seen from the viewpoint of the very unusual period that the Cuban economy is experiencing. It must be seen as the result of a measure that had to be taken in a short-term situation of great financial tension.

However, if we look at the problem in perspective, focusing on the future, it seems to me that the situation must logically change. In other words, I would say order will be established, things will normalize, and we will proceed toward a process of rescuing the Cuban peso. When I say rescue, I mean to increase its purchasing power, which at present is very low, largely as a result of the amount of excess money in circulation that has accumulated at this time. This was basically the result of the deep economic depression of the past three years, a decrease in production, and of course, the social policies that were implemented. Those policies have sought by all

means, and have managed so far, not to leave anyone unprotected. Workers income has been respected, even when factories or production units have been closed or have greatly reduced their activities.

I believe, therefore, it is a matter of proceeding gradually by a process of rescuing the peso, the national currency. I believe it will be necessary at some time to establish a system of exchange rates that are economically based on local rather than foreign currency, and to normalize the situation, which in no way means that we would give up the income in foreign exchange that is currently being generated by the community and from remittances in foreign exchange. Instead, we would simply normalize this situation through the utilization of the national currency.

[Betancourt] In other words, the circulating currency in Cuba will be the peso, not foreign exchange. You mentioned different exchange rates for tourists, for businessmen, for.... [pauses]

[Martinez] All this would have to be opportunely examined later, but I think so. When I speak of an exchange rate that is economically backed, I am not necessarily talking about a single exchange rate. The world's economies generally do not function with a single, unique exchange rate, but with differentiated exchange rates that pursue different objectives. They can be used as a stimulus to tourism, capital investment, or foreign trade. There can be specific exchange rates for locals, who want to purchase foreign exchange. In sum, it depends on the objectives.

[Betancourt] In the same way as other economies?

[Martinez] Exactly.

Former Diplomat Views Cuba: Part 2

FL0909021893 Bridgetown CANA in English 1916 GMT 8 Sep 93

[Second of a three-part feature series on Cuba by Ron Sanders]

[Text] Bridgetown, Barbados, Sept 8, CANA—"Things American help to sustain Cuba," says a guide book to Cuba. And, that's irrefutably true. There is a kind of cleverness in the Cuban utilization of things American—it is almost as if a conscious decision has been made to advertise the paradox of a U.S. embargo while things American stimulate the economy. In 1990, faced with the loss of U.S.5 billion a year in aid from the former Soviet Union, and with the disappearance of markets in the countries of the former Eastern Europe, President Fidel Castro announced the beginning of a "special period in peacetime" designed to stop the island's economic decline by achieving financial independence and self-sufficiency in food.

The period has two prongs: The first is an austerity package which has led to a reduction in electricity consumption, rationing of food and consumer goods, and a drastic reduction on fuel that, in turn, has promoted both the use of oxen for pulling ploughs and thousands of Chinese and Russian-made bicycles for transportation including one brand with the hopeful name "Forever," and another with the optimistic title, "Phoenix."

While agricultural production is still significant, it has declined and Cuba is forced to export the bulk of its production, retaining some for the tourist industry and local consumption. Self-sufficiency is not yet achieved. It is openly admitted in the official newspaper, GRANMA, that rationing has reduced the availability of "such essential products as soap and toothpaste."

The second prong of President Castro's "special period in peacetime" is the development of biotechnology, pharmaceuticals, and tourism. Cuba has entered more than 100 joint ventures with foreign investors and an estimated U.S.500 million has been invested so far. Among those investors is the Issa family of Jamaica who are partners in the international hotel. Canadian firms are also involved in mining nickel, one of Cuba's biggest sources of export revenue. And, recently, the government announced joint ventures with two more Canadian firms—Miramar Mining of Vancouver and Joutel Resources Limited of Toronto—to explore and develop potential and existing precious metals on the island.

A joint venture with another Canadian company exploits a huge oil field on the north coast. Drilling rigs disturb the beauty of the shoreline both by their appearance and the strong smell emanating from them. But the oil can be used only for industrial purposes and biotechnology and pharmaceuticals have not produced significant income. Therefore, it is to tourism that the government has looked for increased foreign exchange earnings. And, this is where things American have helped to sustain Cuba.

The Cuban Government owns the Comodoro Hotel in Havana, which it markets on the basis that Hollywood film stars Clark Gable and Marilyn Monroe partied there, and tourists can stay in the rooms they occupied. Taxi drivers in the government-owned taxi service for tourists point out the house in Varadero which was owned by the notorious U.S. gangster Al Capone. Tap water is not recommended for tourists, so what better way to quench your thirst than with that U.S. name, famous the world over—Coca Cola. Cans of Coca Cola can be had from vending machines at petrol stations, any hotel bar or restaurant, and at tourist restaurants in Havana, Varadero, or along the autopistas (motorways) linking the main towns. The currency with which you would pay is none other than the Yanqui dollar.

Coca-Cola enters Cuba from U.S. subsidiaries in Canada, Panama, and even France. The U.S. dollars come from any country through which it can be transferred, including the United States.

Cuba's success in importing products from U.S. subsidiaries in non-U.S. territories weakens the Cuba Democracy Act piloted by Robert Torricelli and approved by the U.S. Congress in 1992. The exporting countries appear to have circumvented the act on the basis that their trade with Cuba is not "subsidised."

A similar argument was made by Jamaican Prime Minister P.J. Patterson in Washington on August 30, when he

defended the decision of Caricom heads of government to establish a joint commission with Cuba despite a letter of objection from Torricelli. But if Cuba is effective at importing U.S. products through subsidiaries, it is spectacularly successful at importing U.S. dollars. It has joined the lengthening list of countries (including former communist ones) which utilize the U.S. dollar as the currency of the tourist industry. All bills for tourists in Cuba are quoted in U.S. dollars and tourists must change hard-currency travellers cheques into U.S. dollars. They are even provided with substitutes for U.S. coins which are accorded exactly the same value.

The critical need for the U.S. dollar to pay for imports has caused the Cuban Government to introduce measures indicating that Castro's slogan, "Socialismo o Muerte" (Socialism or Death), may not be as inflexible as it suggests. Among the measures the government has introduced are commission shops where goods are sold at free-market prices and in U.S. dollars. But, more significantly, on August 13, President Castro signed decree-law number 140 which decriminalized the possession of hard currency.

Now commission shops are patronised more by Cubans than foreigners, although in some areas Cubans are allowed into shops only a handful at a time. Shoplifting is a great concern by shop attendants, and, at one main centre on Fifth Avenue in Havana, Cubans have to leave their bags at the entrance when entering. Officials in Cuba acknowledge that the decriminalization of hard currency possession has created "heartrending inequalities" in Cuban society. And, they argue against the theory posited by academics and analysts that differences between the rich and poor will resurface.

One columnist for the TRIBUNA DE LA HABANA newspaper relies on "the Cuban people... who possess values and virtues that should not be omitted from any analysis." Maybe so, but right now there is an obvious difference between those who have access to a continuous supply of U.S. dollars and those who don't. The sources from which Cubans get U.S. dollars are various. Regrettably, begging by young children is one source. Before the passage of decree-law number 140, the kids asked tourists for chewing gum by the brand name, Chiclets (they pronounce it sheek-lay). Young children in Havana beg as persistently as vendors on the beaches in Antigua, St. Lucia, and Barbados used to hustle tourists.

Another group with ready access to dollars are workers in the tourist industry who receive tips from visitors. Many Cubans get dollars as remittances from their relatives in the United States, and others buy it on the black market. Nothing is new about this. What is new is that they are allowed to retain foreign currency and "obtain in Cuba merchandise which is only sold in foreign currency in a commercial establishment." Under Article 235 of the penal code, it was an offence both to keep foreign currency and to use it for making purchases. Many Cubans are today still in jail for these offences.

There is another disturbing way in which some Cubans secure U.S. dollars—prostitution. The current hardships in Cuba and the availability of sought-after goods in commission shops, combined with a ready market in visiting tourists have created rampant prostitution in Havana and in the tourist centres, particularly Varadero. Most of the prostitutes are young women. A great number appear to be teenagers. And, the trade does not seem to incur official disapproval. Soliciting occurs in full view of policemen who chat casually with the girls in their idle moments.

This development has obvious consequences for the spreading of the AIDS virus—a real tragedy for Cuba, which is reportedly the one country in the world that "offered all citizens complete medical attention from the moment the virus was found in their system."

Up to 1985, Cuba quarantined and treated all persons who tested HIV-positive. However, with the increase in tourism, the lifting of all restrictions on the movement of tourists throughout the country, and the rapid development of prostitution, it is clear that the Cuban health-care system, good as it undoubtedly is, will be severely strained in the months ahead.

Apart from the rise of prostitution, tourism has been a success story for Cuba and it appears that it will continue to be so. It is a major plank in Cuba's economic salvation and it is certainly helping to ease the pain of losing U.S.5 billion a year from the former Soviet Union.

Non-U.S. companies, particularly European ones, have not been slow to grasp the opportunities of over 100 successful joint ventures with the Government of Cuba. They have filled the vacuum left by the former Soviet Union; a vacuum the U.S. could have filled, but which it encouraged by a continued trade embargo against Cuba. Ever since 1812 when the British, allied with Spain against Napoleon, were able to use Cuba as a base to attack the United States, U.S. governments have been obsessed, as one observer put it, "not only with keeping European might out of the Caribbean, but with controlling Cuba."

Paradoxically, by continuing a trade embargo ignored by European nations, the U.S. is encouraging European economic might on its doorstep and may, by that process, lose the opportunity of influencing events in Cuba.

Ciego de Avila CDR Congress Highlights Crime

FL0909022393 Havana Radio Rebelde Network in Spanish 2300 GMT 9 Sep 93

[Text] Interventions by delegates to the Fourth Committee for the Defense of the Revolution [CDR] Congress in its session in Ciego de Avila Province were focused on establishing revolutionary vigilance as a prioritized task of the organization. The participants in the congress expressed themselves in favor of elevating the aggressiveness at the base level to prevent any delinquent acts that could challenge the Revolution's line. In that sense, they unanimously supported the GRANMA editorial and reiterated their willingness to strengthen the Unified Vigilance and Protection System.

In his speech to those present, Sixto Batista Santana, member of the Central Committee and national CDR

coordinator, exhorted them to step up the fight against crime in all spheres and highlighted that those who defend the Revolution will always have the support of the Communist Party of Cuba [PCC] and the people in general. The plenary session ratified Fernando Delgado as provincial coordinator and elected the new provincial executive secretariat as well as the candidates for membership in the national directorate.

In his closing speech, Politburo member Alfredo Hondal, first secretary of the PCC in Ciego de Avila Province, pointed out the conditions that brought about the creation of the CDR's and the importance they have today. He underscored the mass organization's capabilty to prevent any enemy action even if it were disguised as social indiscipline.

SUVP Operation Successful

FL0909003093 Havana Radio Reloj Network in Spanish 1948 GMT 8 Sep 93

[Text] The pressure [hostigamiento] of a group of Unified Vigilance and Protection System [SUVP] members against citizens involved in the theft and illegal sale of agricultural products continues to be effective in Artemisa Municipality, Havana Province. In the most recent operations, carried out between 2 September and 3 September, three individuals were arrested, and 900 pounds of bananas, 150 pounds of lemons for exportation, as well as eggs and commercial feed were confiscated from them. In the same manner, the revolutionary forces that operate under the SUVP confiscated home-produced goods as well as illegally-produced food products.

On the other hand, the results of the joint operation in the fight against crime showed that up until September, 125 citizens had been arrested for the theft and the illegal sale of goods.

'Counterrevolutionaries' Increase Crime

FL0809193293 Havana Radio Rebelde Network in Spanish 1700 GMT 8 Sep 93

[Report on GRANMA editorial: "Citizen's Tranquility; an Achievement Which Can Never be Surrendered"]

[Text] Today's GRANMA editorial begins by affirming that the natural tendency of Cuban society is to prevent crime. This is why, in Cuba, the indexes, character, and seriousness of crimes are nothing compared to the crime rate growth experienced in today's world. However, GRANMA does not deny that the levels of certain crimes in Cuba are of concern because of the irritation they cause the population. In this sense, it adds: The leadership of the Communist Party of Cuba [PCC], government, and people see these rates as unacceptable for us, and are convinced that, in order to prevent this from becoming a trend, the implementation of revolutionary measures cannot be postponed. Over the past few weeks, GRANMA stresses, certain acts of vandalism, abuse, and crimes by antisocial elements and criminals, who take advantage of the consequences of our complex economic situation and other circumstances to attack the interests and tranquility of the population, have been more perceptible.

Emphasizing that there should not be room for those who even unintentionally serve the interests of the enemy by hurting the economy and boosting the irritation of the population and visitors, GRANMA refers to the efforts the counterrevolutionaries conduct, particularly the most reactionary sector, the Miami worms, to plant seeds of discouragement and dissidence with its propaganda machine by inventing situations or distorting facts. In this regard, GRANMA points out: The counterrevolutionary stations are broadcasting versions of these types of events, as well as rumors of disturbances in diverse parts of Cuba, with the evident goal of promoting their proliferation.

Further on, it adds: In addition, those who seek further hardening of U.S. policy against Cuba, in order to choke the Revolution and sweep it from the face of the earth, are telling diverse sectors of U.S. society that their versions of certain criminal acts, exaggerated or invented, are evidence of generalized popular rebellion. In this regard, GRANMA mentions that during a recent U.S. Congressional hearing, they went so far as to say that they knew of incidents of civil disobedience during extended power outages in Havana.

GRANMA explains that these meetings are sponsored, however, by a group of Cuban-American members of Congress under the leadership of the ambitious legislator, Robert Torricelli, who was bought a long time ago by the unpatriotic reactionary sector.

The editorial adds: Logically, neither our people nor their vanguard let lies carry them away. Those, who think with an annexationist mentality and hate us, do not escape the foolishness of their sovereignty and arrogance [as heard], and from their counterrevolutionary lie, become accomplices and sponsors of the must common and unscrupulous criminals. This does not surprise us, GRANMA adds. A long time ago, our Jose Marti warned us about these unpatriotic people when he said: View with horror those who help, because of the weakness of their hearts or the thrills of the good life, to debase their people.

The editorial also points out that Cuba has never tried to hide its problems behind the negative consequences derived from the systematic subversive efforts of the enemies of the Revolution. It adds: This is why during these difficult times of the special period, lumpen and antisocials who are trying to introduce disorder, and create impunity and distrust in our society will receive the forceful response of the entire population, PCC, youth, mass organizations, and unions, together with the determined and effective actions of the police, prosecution, and judicial bodies.

The editorial issues a final warning: The climate of tranquility and security, ethical values, and social interaction norms attained by the Revolution, which are included among the most cherished accomplishments built and enjoyed by our people, will always be defended with clean

weapons, but with firmness and lucidity, in a struggle of all the people which, again, has only one possible outcome: victory.

Impact, Effectiveness of U.S. Embargo Discussed

FL0809163493

[Editorial Report] Havana Cuba Vision Network in Spanish at 0100 GMT on 8 September carries live on its regularly scheduled "Open Agenda" program a panel discussion on the "U.S. Blockade Imposed on our Country." Panelists are Nicanor Leon Cotayo, an analyst and writer; Marilu B. Hamel, in charge of the North American area in the Foreign Trade Ministry; and Eduardo Lara, an adviser to the Cuban minister of education. The host is Antonio Resillez.

On the subject of whether Cuba is currently closer or further from a lifting of the U.S. blockade, Leon says he does not think the current U.S. Administration will even consider lifting the blockade any time this year or that there will be any "substantial" change in the U.S. policy in 1994, for three reasons: The Clinton administration is facing very serious domestic difficulties; there is resistance from very conservative sectors, compounded by the objections of the "extreme rightists" in Miami, whose support Clinton will need for reelection in 1996; and there are important sectors in the U.S. legislative and executive branches who still believe that the Cubans will not be able to withstand "the tremendous test" to which they are being subjected, and who therefore feel there is no need to lift the blockade.

Asked about the "less aggressive language" reportedly noted in recent U.S. statements regarding Cuba, Leon says that although he believes Clinton is a more "decent" politician than his predecessors, the new U.S. President has always supported the Torricelli Law, which regulates the blockade, so, Leon says, "it is my belief that the new position toward Cuba has other motivations, which are not necessarily related to an effort to neutralize the blockade." He says it may be a response to a "growing international movement against the blockade."

Continuing the program, Lara cites statistics presented to the United Nations on the economic losses Cuba has sustained as a result of the U.S. embargo, and discusses the impact the blockade has had on education in Cuba, (the inability to procure computers, clothing, and school supplies, among other things).

Hamel discusses the effects of the embargo on the interests of U.S. companies. She says: "The ban imposed on U.S. subsidiaries has perhaps generated the most reaction because it is one of the clumsiest measures. It demonstrates the extraterritorial intention of applying the law of one country on the rest of the world without any show of respect for the sovereignty of other countries." Further, she says that the companies are being deprived of the opportunity to participate in investments in Cuba, a large potential market, according to U.S. estimates.

In conclusion, she says: "In general, it can be said that the irrationality of the blockade has been demonstrated in spades. It has been shown that the Cuban people will not be defeated by that policy or any other. This has been tried for over 30 years, and in my opinion, it has been demonstrably ineffective."

Marti Power Plant First To Use Domestic Crude

FL0909003193 Havana Radio Rebelde Network in Spanish 1937 GMT 8 Sep 93

[Text] The Jose Marti Power Plant in Matanzas Province has saved more that $21 million since 1981, when they began burning oil from the Varadero oil deposit. Fermin Infante, head engineer of that industry, confirmed that [words indistinct] successful, despite the problems that have been attributed to the crude. The Jose Marti power plant is the first plant in the country to use domestic crude to generate electricity.

* Physicians Arrive in Monagas

93P20308A

[Editorial Report] Caracas EL UNIVERSAL in Spanish of 30 July 1993 on page 20 Section 2 reports that the first eight out of a group of 35 Cuban medical personnel arrived in Monagas to work in clinics. The article explains that a total of 15 nurses and 20 physicians, mostly anesthesiologists, are expected. According to the report, clinics in Monagas State have been unable to find anesthesiolgists despite advertising.

* Tourism Increases in Santiago de Cuba

93P20308B

[Editorial Report] Havana JUVENTUD REBELDE in Spanish of 8 August 1993 on page 2 reports that Santiago de Cuba is becoming a center for tourism due to new flights arriving from Europe, Canada, and Latin America. According to the article, Cubanacan expects a 30-percent increase in tourism over last year. The article explains that the German chain, LTI, now headquartered in Varadero, will begin to operate the Los Corales and Carisol hotels in Santiago in December. The German airline LTU will operate two direct flights per week from Germany to Santiago.

Anguilla

Government Outlines Policy Plan With UK

FL0809173093 Bridgetown CANA in English 1638 GMT 8 Sep 93

[Text] The Valley, Anguilla, Sept 8, CANA—Following is the text of the country policy plan agreed to by the governments of Anguilla and the United Kingdom:

1. "This country policy plan covering the period 1993/94 to 1996/97 sets out the major policy objectives and principal programme targets which the Government of Anguilla has set itself in consultation with Her Majesty's

Government (HMG). It also represents the agreement of HMG for the Government of Anguilla's programme and plans.

2. The country policy plan is a tangible instrument created to facilitate the new thrust in cooperation and partnership between the United Kingdom and its dependent territories in the Caribbean. This cooperation and partnership is aimed at promoting good government and self sustainable growth and economic autonomy for Anguilla over the medium to long term.

3. Discussions and negotiations based on strategic review prepared by consultants were held between the representatives of the United Kingdom and the Government of Anguilla over the period May and June 1993. The discussions reviewed in general the various aspects of cooperation and partnership between Anguilla and the United Kingdom within the framework of the 1982 Constitution Order and subsequent amendments to it. More specifically, negotiations were centred on the objectives of development and good government for Anguilla over the next four years.

4. The representatives to the negotiations were guided in their deliberations by the need to ensure that optimum use is made of the resources available to Anguilla from government revenue and from the assistance to be provided by the British Government, by other governments, and by multilateral and nongovernmental funding agencies.

Main Elements of the Country Policy Plan:

5. The Anguilla country policy plan summarises the agreed objectives and priorities for Anguilla for the period up to 1966-97. It consists of three parts. The first part identifies the broad principles on which the conduct of the public affairs of Anguilla are based and summarises the general commitments of the Government of Anguilla in this regard. It also outlines the principles being followed by HMG and the commitments to which it subscribes in relation to the agreed partnership programme.

6. The second part is the Anguilla country policy matrix 1993-94—1995-96. This sets out in tabular form the agreed policy objectives of the Government of Anguilla on a sectoral basis. It details the key policy and programme targets and the actions necessary to achieve these. It provides the framework within which to monitor progress with the implementation of these policies and programmes as well as for reviewing the future use of HMG's aid and good govrnment funds. It can also be used to promote access to alternative sources of funding.

7. The third part consists of the three-year public sector investment programme including projects agreed in principle by HMG (subject to the usual submission, appraisal, and approval of project proposals) listing the investments to be undertaken, and providing a timetable for undertaking them.

Principles Guiding the Administration of Anguilla:

8. The Government of Anguilla confirms its commitment to democratic principles of government, and prticularly to the principles embodies in the Anguilla Constitution 1982 as amended. These include:

Respect for the rule of law and fundamental principles enshrined in the Constitution, including the protection of fundamental rights and freedoms; maintenance of international standards of human rights which reflect evolving international norms; maintenance of law and order and social peace and stability, and representative government including periodic free and fair elections.

9. Secondly, the Government of Anguilla commits itself to the principles of responsible, ethical, and equitable government. Specifically it reaffirms its acceptance of the need for:

Accountability in government; the pursuit of sound economic and financial policies aimed at promoting growth, self-sufficiency, and a decent standard of living for the people of Anguilla; the provision of appropriate services by government to meet the aspirations and interests of the people of Anguilla; maintenance of a high standard of administration of justice; the improvement of existing ties with regional and international organizations and the expansion of regional and international relationships in consultation with the governor; the adoption of enlightened social policies to promote the peace, stability, and cultural advancement of the community, and consultation with the private sector so as to stimulate and promote private sector investment and business expansion.

General Principles Guiding HMG:

10. HMG reaffirms its commitment to the following principles, particularly that: the reasonable needs of Anguilla and the other dependent terriroties will continue to be a first charge on United Kingdom aid funds; HMG welcomes and shares the Government of Anguilla's wish to cease to be reliant on capital grants and aid to fund their public investment needs and sees the aid programme as a means of helping them in this; HMG is responsible through the governor for external relations and other areas of reserved responsibility. It is committed to firm stewardship in the discharge of these functions. The governor consults to the fullest extent possible within the framework of the Constitution with the Government of Anguilla on all these issues; and HMG shares the Government of Anguilla's objective of achieving economic independence. HMG remains committed to its policy of assisting territories to full independence when and if it is the clearly and constitutionally expressed wish of the people.

Commitment of the United Kingdom Government:

11. The Government of the United Kingdom: Agrees to continue to work with the Government of Anguilla to achieve their joint objectives and to implement the programme set out in this country policy paper; accepts that there is a case for a further tranche of capital aid and technical assistance to Anguilla to enable the government

to achieve its objectives, and agrees to allocate a total of 10.5 million pounds from the funds managed by the Dependent Territories Regional Secretariat for the period 1994-97, including an indictive figure of 2.5 million pounds of funds available for the collective benefit and support of the dependent territories in the Caribbean.

Cooperation and Partnership:

12. The Government of Anguilla and HMG commit themselves to work diligently in a spirit of close cooperation and strong partnership to achieve the policy of objectives, programmes and targets mutually agreed to in this country policy paper. In so doing they further pledge to maintain regular and open communications and close working relations between the representatives of the two governments, to observe mutual respect for the positions taken by each partner, and to work diligently to implement the approved programmes in a spirit of joint endeavour.

13. The parties to this agreement have agreed to confirm their acceptance of the policy objectives, strategies, targets, and actions contained in it by authorising their duly appointed representatives to sign the document on behalf of their respective governments."

Haiti

Port-au-Prince Mayor Reinstated 8 Sep

FL0809170793 Port-au-Prince Radio Metropole in French 1500 GMT 8 Sep 93

[Report by Rothschild Francois, Jr. at Port-au-Prince City Hall; monitored in progress—live]

[Text] ...Evans Paul. It should be recalled that on 7 September armed civilians announced they would oppose the reinstatement of the mayor. Today, Mayor Evans Paul intends to have Prime Minister Robert Malval accompany him. He is assured of the support of a gathering of people's organizations based in Carrefour [Port-au-Prince south suburb].

[Francois] For the time being, the doors of the city hall are closed. Nevertheless, there are people inside. Two placards are displayed on the main gates of the Port-au-Prince City Hall. There are slogans unfavorable to Port-au-Prince Mayor Evans Paul on those placards. They say [words indistinct] they would not like to cooperate with terrorists like Evans Paul. At this time, there are no police in the area surrounding the city hall. Many bystanders are waiting for the arrival of the mayor, whose reinstatement is scheduled for noon at the Port-au-Prince City Hall.

This is mobile unit 20 for Radio Metropole.

Information Minister Shot

FL0809210293 Port-au-Prince Radio Tropic FM in French 1800 GMT 8 Sep 93

[Text] We have learned from a diplomatic source that Minister of Information Herve Denis was slightly injured by hired thugs this noon at the Port-au-Prince City Hall. Right now, he is receiving intensive care at a hospital in the capital.

Let us also point out that Mayor Evans Paul, reinstated in his post today, escaped unharmed the hired thugs' attack, which targeted him while he was leaving City Hall following his reinstatement. Armed civilians fired automatic shots toward his car. Fortunately for the mayor, he was not hurt.

[Begin recording] [Evans Paul in Creole] I have not yet assessed the situation. I do not yet wish to comment on it. What is essential is that I have been reinstated as the Port-au-Prince mayor. We will work in the best interests of the capital with the collaboration of everyone, who understands that today, concord is the country's only hope.

[Unidentified reporter] Were there any threats or incidents upon your arrival this morning?

[Paul] I told you that i have not yet assessed the situation, since I am still with the prime minister. I have not yet assessed with the security guards, my colleagues, what exactly took place. However, we felt that the atmosphere was difficult enough.

[Reporter] They had announced on 7 September that armed civilians wanted to kill you. You did not believe that threat? You came anyway.

[Paul] We had a responsibility to assume. We will continue assuming it. [end recording]

One Dead, Four Injured

FL0809231393 Port-au-Prince Radio Metropole in Creole 2000 GMT 8 Sep 93

[Excerpts] Today's violent acts by armed civilians resulted in the death of one person and four persons injured. The armed civilians took the opportunity to assault numerous people today, on the occasion of the installation of the elected Port-au-Prince mayor, Evans Paul. Jean-Max Blanc filed a report:

[Begin recording] [Blanc] Armed civilians in the Port-au-Prince City Hall carried out the threats they made on 7 September in the City Hall. At least three people were injured, including information minister in the Robert Malval government, Herve Denis. Even before the installation of Port-au-Prince Mayor Evans Paul, the armed civilians began shooting, in the presence of several policemen. The information minister of the new government explained that a piece of glass injured him when the armed civilians broke two windows of the car he was in. Denis is currently out of danger:

[Denis] I had just entered the car and the procession had just begun. I was following the procession. Several civilians with baseball bats and stones were chasing the car in front of mine. But the car got away. As I entered Marie-Jeanne Avenue, the car slowed down and these running men saw my car and attacked it, breaking the windows. That is how I got the pieces of glass in my forehead. [passage omitted]

Other citizens besides the minister were injured, including one of the information minister's security guards. [passage omitted] Even citizens minding their own business were not able to elude the bullets of the armed civilians. One of them was shot in the arm. [passage omitted]

On 7 September, these armed civilians had threatened to kill Evans Paul and other figures, who would attempt to install Mayor Evans Paul in the capital's City Hall. [end recording]

Disorder Will Not Be Tolerated

FL0809235993 Port-au-Prince Radio Metropole in Creole 2000 GMT 8 Sep 93

[Text] Haitian Prime Minister Robert Malval stated today that he would not tolerate any citizen disturbing the public order in Haiti. Robert Malval reiterated the statement he made at his installation as prime minister. At that time, the prime minister stated that even if they had to kill him, they would not kill the dream of the Haitian people.

[Begin recording in French] I thank the authorities at City Hall for their welcome. The assistant mayor deplores the absence of protocol. I noticed that we were greeted with firecrackers. I hope they were not too dangerous. I thank you again for the firecrackers. I would like to remind you that there is the republican order to defend and this government will not be intimidated by those who do not have the power to intimidate this government. [applause]

I have already stated and I repeat: They can kill us but they cannot kill the dream of the Haitian people, which is a dream that, more than ever, leans toward democracy. This dream will be realized. Thank you. [end recording]

UN Police To Arrive 8 Sep; Malval To Submit Bill

FL0809154093 Port-au-Prince Signal FM Radio in French 1030 GMT 8 Sep 93

[Text] Thirty UN police instructors are due to arrive in Port-au-Prince on 7 September....[pauses] on 8 September within the scope of the technical assistance proposed by the international community in order to professionalize the Haitian Army. This first contingent of instructors will pave the way for the deployment of a technical assistance mission of approximately 567 members, according to statements by UN Secretary General Butrus Butrus-Ghali during a meeting of the Security Council on 31 August.

This mission will contribute to the formation of a local police force and will monitor respect of human rights in accordance with the provisions of the agreement signed on 3 July on Governors Island. Russia, Great Britain, and France were very careful in writing Resolution 862 establishing the deployment of this mission. The resolution does not (?specify) the exact nature of future UN missions to Haiti.

We have learned that the Malval government is preparing to submit a bill to parliament on the separation of the Army and the police. It should be pointed out that following the installation of Prime Minister Malval, Chamber of Deputies President Antoine Joseph stated that the lower chamber was willing to vote on the laws Prime Minister Malval proposes. He stated that the deputies have goodwill and are ready to cooperate in democratizing the country.

Salinas, Attorney General To Continue Drug War

PA0809205893 Mexico City Canal 13 Television Azteca Network in Spanish 1300 GMT 3 Sep 93

[Reports by Jaime Guerrero and Enriqueta Luna; from the "Good Morning From Mexico" newscast]

[Text] [Guerrero] During the inauguration of the National Institute to Combat Drugs building, President Carlos Salinas de Gortari flatly stated the government will not drop its guard in the war on drug traffickers. He noted our country will promote a more intense struggle against drugs abroad and warned Mexico will not be the appropriate place for production, consumption, and drug trafficking. He talked about the National Institute to Combat Drugs.

[Begin Salinas recording] We are going to redouble efforts against drug trafficking. This Institute has been tasked with carrying out these efforts so they can yield results for society. It will act in strict adherence to the law in an honest, effective, and professional fashion with a spirit of service and profound patriotism. It will be able to hurt drug traffickers precisely where it hurts them, namely, their freedom and profits. [end recording]

[Guerrero] From 1988 to August of this year, 86,000 persons have been arrested for offenses related to drug trafficking. Over 2,000 tons of marijuana, 200 tons of cocaine, and approximately 650 kg of heroine have been seized. Speaking before Attorney General Jorge Carpizo and Commissioner Jorge Tello, Salinas reaffirmed the commitment to wage war on drug trafficking within the framework of the law and full respect for human rights. The government launched the great war on drug trafficking for solely national reasons. Attorney General Carpizo stated, however, this is also an international problem. Mexico will seek an escalation of the war on drug trafficking at the multilateral level.

[Begin Carpizo recording] At Mexico's request, the world nations will discuss how we are doing in the war on drug trafficking and the things we ought to do so that the world, not just Mexico, can make progress at the United Nations in late October. [end recording]

[Guerrero] When asked if the new Institute will act in some coordination with the U.S. DEA, President Salinas replied:

[Begin Salinas recording] This is a Mexican sovereign (?responsibility). We need cooperation abroad to obtain information on what is happening in other nations and regions on this matter. [end recording]

[Guerrero] Salinas toured the Institute's building and its command post for coordinated operations, which will work as the chief element in the war on drug trafficking.

[Luna] In an attempt to remain in the vanguard of the struggle against drug trafficking, Mexico gave the signal for the National Institute to Combat Drugs to begin work with full force in 10 days. The new Institute will establish and strengthen its contacts with other international organisms to effectively combat drug trafficking.

[Begin Cortizo recording] We exchange information with the United States. I am certain the information Mexico supplies the United States is useful to them, and vice versa. The information for fighting drugs provided by the United States is useful to us. [end recording]

[Luna] With 300 new Federal Judicial Police agents, who will be at the service of a specialized agency of the Federal Attorney General's Office [PGR], which falls under the Office of the Deputy Attorney General for Preliminary Investigations [Subprocuraduria de Averiguaciones Previas de la PGR], the Institute will seek to strengthen the national policy of the drug war.

The new institution will have the most advanced technology and a highly qualified staff. The National Planning Center to Control Drugs, the National Directorate to Eradicate Illicit Plants [Direccion Nacional para la Eradicacion de Plantios Ilicitos] and the National Detection Directorate [Direccion Nacional de Intercepcion] will converge here.

In the 1980's, drug consumption, production, trafficking, and related offenses became noticeable, showing Mexico the importance and seriousness of this current problem and making Mexico realize, for the first time, the risk it posed to national security and its harm to the economy. The Salinas administration went to the vanguard to control drugs in an effective manner.

Aware that drug trafficking is not just a crime but also a matter of health, education, social cohesion, community commitment, overall development, and public security, the Mexican Government planned to fight it through an overall effort by federal, state, and municipal authorities and society. For this purpose, prevention and rehabilitation efforts included offering peasants in needy areas the means to earn a living in some other manner than by producing drugs. The government sought to lower the abuse of drugs or alkaloids, which constitute the basic drive behind drug trafficking. With the support of different state secretariats, the struggle has been ruthless. Laws were amended to impose stiffer sentences of those who perpetrate this sort of offense and international cooperation was promoted to eradicate this scourge of humanity.

'Narcotunnel' Found on Sonora Northern Border

93wb0058C Mexico City EXCELSIOR STATES Section in Spanish 30 Jul 93 pp 1, 4

[Article by correspondent Francisco Santacruz Meza]

[Text] Agua Prieta, Sonora, 29 July—According to a report from the general director of municipal public security, Manuel Valenzuela Montes, another tunnel presumably intended for use by drug dealers to move drugs to the United States was discovered today by police agents. Hence, its existence was immediately reported to the federal authorities.

He remarked that the tunnel is located on First Street, between Avenues 29 and 30, where an iron stairway for climbing down to a depth of 2.30 meters is visible.

The inside measures 50 cm wide by 4.30 meters long, with an L-shaped structure, leading to a small storage place measuring four square meters. He indicated that it contained four strongboxes, 45 cm by 1.30 meters in size.

Their locks had been forced open with a blowtorch by a person whose identity is unknown, because this discovery was never made public. However, he remarked, the strongboxes are presumed to have contained money when the drug-trafficking activities here were frequent.

In Agua Prieta there are many properties confiscated from drug dealers some time ago that are in a complete state of abandonment. They include farms, houses, and buildings that were symbols of the wealth and power of those criminals years ago.

They have now been destroyed by groups of vandals. In the past, however, during a "utopian" era, groups of men would emerge from them "squandering" dollars in the local business establishments and nightclubs.

Plane Intercepted After Cocaine Drop

93wb0058D Hermosillo EL IMPARCIAL in Spanish 31 Jul 93 p 6A

[Article by Javier Corella]

[Text] Agua Prieta, Sonora, 30 July (PH)—A small Cessna airplane whose occupants presumably had "dropped" 18 packages of cocaine with a total weight of 462 kg in Tucson was intercepted at the local airport after being pursued by DEA [Drug Enforcement Administration] agents in three planes.

The report received by all the Mexican police forces and Army personnel prompted considerable mobilization in this town and in Cananea, where the presumed "narcos" were at first thought to have attempted a landing.

In fact, the aircraft's two crew members, Paulino Cazarez Cardenas, aged 26, and Carlos Rios Bernal, 22, both natives of Guasave, almost escaped. However, one of the police agents discovered them among the military and immediately took them into custody.

First, the DEA reported the pursuit of the plane to the Mexican police forces, having first requested permission for its aircraft to fly in if the two drug traffickers crossed into the national territory.

When it was confirmed that the small plane was heading toward La Calera airport in Agua Prieta, about 20 soldiers, two members of the Federal Judicial Police, five State Judicial Police agents, and several municipal policemen took up positions there.

When the military and police began arriving, the plane's two crew members had already landed. They were warned by the soldiers to move aside to avoid danger, since another plane was expected to land.

The confusion was due to the fact that three planes were flying over the airfield, and it was thought that one belonged to the traffickers.

When the small white Cessna 182 Centurion II with red stripes and registration XB-FFW had been properly identified, it was searched. A 38-caliber super squad pistol was found inside.

The crew of one of the DEA planes requested permission to land, which was given by Brigadier General Mario Arturo Acosta Chaparro, chief of the military garrison. The aircraft was a Beechcraft 90, occupied by four agents.

It was explained that the small plane being chased had dropped several packages containing drugs, apparently cocaine, in the vicinity of Tucson.

The investigation of the case has been conducted confidentially, since it is presumed that the intercepted plane is connected with international rings shipping drugs to the United States.

PGR Investigating Money Laundering in Guanajuato

93wb0058B Mexico City EXCELSIOR in Spanish 29 Jul 93 pp 2-A-1, 2-A-6

[Article by Rafael Medina Cruz]

[Text] The Office of the Attorney General of the Republic sent a special group of investigators, headed by an agent from the Federal Public Prosecutor's Office, to Guanajuato State, to probe possible cases of the "laundering" of money from the drug traffic.

In an official memorandum sent to the state's governor, Carlos Medina Plascencia, the attorney general of the republic, Jorge Carpizo McGregor, noted that, last month, he had received a report from the Guanajuato State Attorney's Office on the 29 municipalities comprising that state. In that document, comments were made on drug-trafficking problems.

The official added that the report includes 14 possible cases of "money laundering," as well as a description and location of the domiciles of five persons presumably engaged in drug collection, consumption, and marketing.

In order to investigate the information provided, the attorney general sent 10 Federal Judicial Police agents, two members of the Federal Public Prosecutor's Office, a representative from the National Institute To Combat Drugs, and another from the department's Internal Auditing Office.

The personnel from the Attorney General's Office commissioned for this purpose will conduct a full investigation (the document states) of all the information furnished. In instances wherein sufficient evidence of the commission of crimes against health, or of other types of federal crimes, is obtained, the pertinent remands will be implemented.

For this task, the special group will be backed by the PGR's state agency in Guanajuato. In the official note, Dr. Carpizo requested of Governor Medina Plascencia that the Guanajuato Government and its State Attorney's Office provide the investigators "with the only important element in such cases." He defined the latter as a "contribution of evidence and more evidence concerning the information that has been given to us."

The report sent by the State Attorney's Office includes charges received by the office in its four regions during the period from 1 November 1991 to 15 June 1993.

In the final part of the text, Attorney General Carpizo emphasizes that the institution headed by him has as an objective and a commitment "a thorough investigation of this information, so as to procure all the necessary evidence with which to act according to law."

El Salvador

Cristiani Hints Nicaraguan Involvement in URNG Cache

PA0809131193 San Salvador Radio El Salvador Network in Spanish 1720 GMT 6 Sep 93

[News conference by Salvadoran President Alfredo Cristiani with domestic reporters and unidentified moderator at the Presidential Palace in San Salvador—live]

[Excerpts] [passage omitted] [Moderator] Ismael Beltran, EL DIARIO DE HOY.

[Beltran] Good morning. Mr. President, do you have a complete report on the Santa Rosa caches? And another question: Since Justice Beitel died, some justices have asked for protection. Is it possible to give them this protection?

[Cristiani] On Wednesday [8 September] I will be receiving a report—in addition to the initial report—on results of the investigations into the Santa Rosa cache. After I receive this report I will gladly share it with you. This report will be the latest information on the investigations under way.

Regarding your second question, I believe that the Supreme Court of Justice must take care of security for the justices. Something can be coordinated to offer protection to the justices, at the initiative of the Supreme Court, obviously. [passage omitted]

[Moderator] Norma Jimenez, of TCS Television Network.

[Jimenez] Good morning. This past weekend a new arms cache that belonged to the Guatemalan National Revolutionary Unity [URNG] was found. I would like to know if you believe this could have something to do with FMLN caches.

[Cristiani] I would say not. Each group has its own weapons. What is clear is that in Nicaragua something is allowing the existence of this infrastructure. I do not want to be categorical about this, but you know there is a common denominator that has permitted that these things happen in Nicaragua.

[Jimenez] What's the explanation?

[Cristiani] That somebody is permitting this and covering it up in Nicaragua, and I do not think it is Violeta [Chamorro, president of Nicaragua].

[Moderator] Thank you, Mr. President.

FMLN Convention Ratifies Zamora Presidential Candidate

PA0809131293 San Salvador EL DIARIO DE HOY in Spanish 6 Sep 93 p 12

[Excerpts] The Farabundo Marti National Liberation Front, FMLN, convention on 5 September ratified Ruben Zamora and Francisco Roberto Lima as presidential and vice presidential candidates. Both candidates were proposed by the leftist Democratic Convergence, CD.

Since the afternoon of 4 September, FMLN leaders began transporting people, most of them peasants and residents of settlements for displaced people, to the convention site at the National Gym in San Salvador.

Ruben Zamora, former guerrilla commander, was ratified on 5 September by Jorge Shafik Handal, secretary general of the Communist Party of El Salvador. Zamora said he assumed this responsibility "with the seriousness the Salvadoran people deserve."

"I personally feel this is one of the most important days in my life; thank you for electing me your candidate," Ruben Zamora said while those present applauded and shouted the FMLN slogan: "A step forward with the Front" ["Un paso al frente, con el Frente"].

Vice presidential candidate Francisco Roberto Lima was a last-minute replacement for former guerrilla Facundo Guardado, who is under police investigation in four countries. He said: "You can be sure that your vice presidential candidate will continue struggling for the people's interests and for the history of brave men who fought in the mountains."

The Board of Directors, National Council, and special guests were seated in the center of the room.

Augusto Ramirez Ocampo, chief of the UN Observers for El Salvador, Onusal, who was one of the guests, said "this shows that the FMLN has joined the country's political life." What was not clear, however, were reasons for his presence at a political activity that is part of the country's internal affairs. [passage omitted]

Zamora said that the CD and the FMLN have never been separated. "We are different, but have always worked together for the same cause," he stressed.

In addition to Onusal, representatives from the U.S. Embassy and international organizations were in attendance. Other special guests included members of the Episcopal Church, the Legal Studies Institute [Instituto de Estudios Juridicos], the Christian Democratic Party, the Permanent Committee for the National Debate on Peace, the Guatemalan National Revolutionary Unity, Spanish leftist organizations, the Sandinist National Liberation Front FSLN, and the Movement of Solidarity with El Salvador [Movimiento de Solidaridad con El Salvador], among others.

Nicaraguan President Daniel Ortega cancelled his participation in the FMLN convention, Sandinist sources confirmed.

The sources cited Sandinist leaders Ortega and Tomas Borge—both invited to the convention as special guests—saying they had to cancel their participation "due to reasons beyond their control." [passage omitted]

G-3 Ministers View Regional Trade Agreement

PA0809205793 San Salvador Canal Doce Television in Spanish 0300 GMT 8 Sep 93

[From the "Up-to-Date Newscast"]

[Text] During a brief visit to El Salvador, the Group of Three [G-3] foreign ministers from Colombia, Mexico, and Venezuela, expressed their intention to strengthen trade relations through the Central American integration process. This very brief visit generated good intentions by Colombian Minister Noemi Sanin, Mexican Secretary Fernando Solana, and Venezuela Minister General Fernando Ochoa Antich. The interest to continue studies on the interconnection projects of electricity, railroad, and maritime transportation, as well as municipal decentralization, among others, was stressed. Here is what Venezuelan Foreign Minister Ochoa Antich said:

[Begin Ochoa recording] We have expressed to the Central American presidents our interest in receiving projects for their immediate implementation to revitalize cooperation between the G-3 and Central America. [end recording]

The foreign ministers are closely following the region's problems. The tour began in Panama and will conclude in Mexico on 8 September with a call on the international community to support the efforts of Nicaraguan President Violeta Barrios de Chamorro, who is undergoing a serious political, social, and economic crisis.

[Begin Colombian Foreign Minister Sanin recording] We have agreed to give our total support to the Nicaraguan president for a meeting that she will summon to deal with the Nicaraguan situation, particularly economic matters. At this time, the international community will be called on to support Nicaragua with cooperation, solidarity.... [end recording]

The message was also intended for the international financial organizations to give top priority to the problems this nation is facing. Currently there is a consensus to make this a free trade zone as of 1 January 1994.

[Begin Mexican Foreign Secretary Solana recording, in progress] ...with a $5 billion production this year. We are talking about a market that has international size and importance. [end recording]

After a breakfast meeting with President Alfredo Cristiani and other high-ranking government officials, the foreign ministers decided that October could be a possible date for the signing of a free trade agreement among Venezuela, Colombia, and Central America to encourage further investment and promote development.

Guatemala

Lack of Quorum Precludes Congress Plenary Session

PA0809222893 Guatemala City Teleonce Television in Spanish 1900 GMT 8 Sep 93

[Text] Intense lobbying efforts were under way at each of the various legislative groups at the time appointed for Congress' plenary session, thus there was no plenary meeting on 8 September. Meanwhile, leaders of unions and popular organizations continued to demand the resignation of the 116 deputies. It is more than likely that the lack of a quorum was the biggest obstacle to today's Congress session, as Congress President Jose Lobo Dubon is only supported by a minority of deputies.

The Constitutionality Court [CC] on 7 September provisionally accepted the amparo writ filed by Lobo Dubon against the decision of 65 congressmen to disavow him and the other board members. Within that group of 65 congressmen, there were some people who today were in favor of attending the next session called by Lobo Dubon.

Juan Ayerdi Aguilar, a deputy and a member of the Executive Council of the Union of the National Center, commented on the meaning of the provisional amparo the CC granted to Lobo Dubon. Ayerdi Aguilar said that in any event, we have still not resolved the affair.

[Begin recording] [Ayerdi] First, we must respect legal resolutions, no matter where they originate.

In this case, the CC provisionally declared that the recourse is valid. We think the decision is satisfactory. We have to accept it; we have to recognize it. However, we still have not gotten to the bottom of this affair. Anyway, [words indistinct], we heeded the decision of the high court.

[Unidentified reported] [Words indistinct] will you attend the plenary sessions, or will it be left to each deputy to decide.

[Ayerdi] We will now see what options we have. For instance, I do not know the attitude of the other parties. Right now we have a meeting with the deputies. We will discuss the meeting and we will decide whether it is appropriate to attend the plenary session. First we have to see what is on the agenda for discussion, because we do not want an exclusively political event like that which took place on Sunday. That did not produce anything agreeable for the citizenry.

If there is going to be a session, we want the agenda and the Congress' general situation to be defined once and for all. [end recording]

Vanguard Party Withdraws

PA0909045193 Guatemala City SIGLO VEINTIUNO in Spanish 8 Sep 93 p 3

[Text] The National Executive Committee of the National Vanguard Party (PAN) has decided to categorically, definitively, and irrevocably remove its deputies from the Legislative Branch in response to the amparo granted by the Constitutionality Court to Fernando Lobo Dubon. The PAN also decided not to allow alternates to occupy the deputies' seats.

PAN Secretary General Alvaro Arzu made the announcement, saying that he has the mandate of the party's National Executive Committee to withdraw its deputies and all other PAN representatives in the Legislative

Branch to protest the amparo granted to Lobo Dubon, who was confirmed as Congress president by the Constitutionality Court.

Arzu said the resignation of the 12 PAN deputies will be presented to the Congress leadership and will be appropriately verified by lawyers and ratified by the plenum as required. The PAN will withdraw from the Congress because it lacks legitimacy, he added.

President Reiterates Commitment to Reform

PA0809123793 Guatemala City Teleonce Television in Spanish 0400 GMT 7 Sep 93

[News conference with President Ramiro de Leon Carpio by unidentified reporters at the Presidential Palace in Guatemala City on 6 September—recorded]

[Text] [De Leon] The Executive Branch has not been officially informed of the processes that are currently taking place in the Legislative, the Congress of the Republic, and the Judicial Branches. I understand efforts have also been initiated in the latter branch. As soon as we receive an official report we will make a statement. We hope to receive an official report soon because all Guatemalans want those government organizations purged and reorganized as soon as possible. State organizations have common goals and need to interrelate with other state organizations. The management of a state is only possible when there is an interrelation of state functions [words indistinct.]

[Reporter] [Words indistinct]

[De Leon] I have just said that I still have not received an official report on what is happening. We will make a statement when the Executive Branch receives the official information. At that time, we will tell the media [words indistinct].

[Reporter] [Words indistinct]

[De Leon] I repeat. I have not received official notification yet. As soon as I receive it.... [pauses] The president of the Executive Branch, the president of the Republic cannot respond to hearsay. I have to receive official notification; when that happens, you will have my response. [Words indistinct] perhaps tomorrow there will be message from the president on television and radio.

[Reporter] [Words indistinct]

[De Leon] I have not received a official report. When I do receive it, I will make a statement.

[Reporter] [Words indistinct]

[De Leon] One of the government branches is currently involved in an internal process. I respect the independence of government branches. According to the Constitution, state organizations must interrelate but must be respectful of the [word indistinct] any kind of subordination. I simply await the results of the current, ongoing, internal process in one of the government branches. I cannot interfere in any way. Therefore, I will only make a statement as president of the Republic and president of a government branch when the aforementioned process has ended.

[Reporter] [Words indistinct]

[De Leon] I think the message I delivered last week on television and radio will have to be rerun so that you can remember what I said. The final part of my message said that the deputies and Supreme Court magistrates must resign or conduct a self-purge. That is how my message ended. That is going to be the message of all my speeches during the presidential working tour. I await results. If the self-purge and reorganization do not occur, the Catholic Church, through its bishops, has correctly stated that it is not only a matter of only changing people, as total reorganization is also required, I would go on to the next phase, which would be to consult the people. There is, however, an ongoing process and I know my responsibilities. I await the results of this process.

[Reporter] [Words indistinct] accuse you of sponsoring [words indistinct] that you support the National Consensus Coalition. It is also said you are being manipulated by the Coordinating Committee of Farming, Commercial, Industrial, and Financial Associations [CACIF] and that you defend CACIF's interests rather than the Guatemalan people's interests. What is your opinion about [words indistinct] a series of difficult things, including a confrontation, and the fact they hold you responsible, Mr. President?

[De Leon] There can be no confrontation when there are no adversaries, when all the people are united to achieve a goal. When the people.... [pauses] There are other types of confrontation, meaning social or economic confrontation, but this issue involves all groups. The groups which represent real power support the president in the campaign he started as interlocutor of the people's demands. Referring to this, logically.... [pauses] Those who feel targeted, those who are being accused by the people.... [pauses] Someone has to be accused, but if they want they can face the people.

I am responding to the people's demands; I am defending the Guatemalan people's interests. Proof of this is precisely this budget; proof of this is the government plan to fight poverty; proof of this is the fact that, for the first time in 20 years, there has been a reduction in the operations budget to less than 50 percent of the overall budget; proof of this is that, for the first time in many years, investments have increased to 28 percent; proof of this is the people's support for the president of the republic; and proof of this is the polls.

Naturally, a leader is hated and loved. Cicero said: A leader must be loved, but he must also be hated by others to be leader of a nation. A leader must make decisions and a president, who had the courage to make a decision to fight corruption, which has so harmed the Guatemalans, must logically be hated by some people, meaning the ones who feel the decision affects them. I am quite satisfied, however, because I started this dignity campaign on behalf of the Guatemalan people.

Many things are said and many things will be said, but the only interests I defend are the Guatemalan people's interests. Proof of this is the next steps that will be taken in connection with other reorganizations. The reorganization does not end here. In fact, there is now a possibility of reorganizing political organizations, but the reorganization, the change, is a fact.

We are about to start a peaceful revolution. The people have awakened and asked the president, their president, the president of all Guatemalan people, to be their legitimate representative before certain state agencies to implement a political reorganization. This is made easier by the fact that we do not belong to a specific political party and the fact that we have no economic, social, or political commitments. My commitment is with Guatemala and the Guatemalans are my only political party, as I have said during my working tours.

[Reporter] Mr. President, referring to the purge in the three state branches, [words indistinct] even the finance minister, one of the people (?responsible) for the country's economic [word indistinct]. Have you planned any [words indistinct] or do you fully support it?

[De Leon] The Executive Branch's reorganization has not ended, but I can tell you there have been 156 changes, 156 dismissals in the three months I have been ruling the country. Generally, when a government assumes control it is given some time, usually one year or at least six months. Yesterday I completed my third month since assuming the presidency of the republic. Looking back, you will realize many things have been done within the Executive Branch in three months, but we are still in the [word indistinct] phase.

[Reporter] [Words indistinct]

[De Leon] I am not the one who should speak out; the people should. At any rate, we would try to hold consultations.

[Reporter] [Words indistinct]

[De leon] I will address your last question first. I repeat, I do not yet have an official report. There is no final result of a process, a mechanism. I hope everything is within the framework of the law. I will issue an opinion as soon as I have those results. I cannot issue an opinion sooner than that; I cannot issue an opinion on something about which I know nothing about.

As for what the people want me to do, they want a purge, they want a reorganization, they want everyone to resign; they want a reorganization of other state organizations, and a reorganization and purge of other institutions. It is difficult to answer your question specifically. Only a popular consultation through means established by the political Constitution could provide an answer.

I am only responding to popular clamor: that they should resign or conduct a self-purge that is [words indistinct] to the Guatemalan people. Otherwise, we will, and we already have drafted a decree, ask the Supreme Electoral Tribunal to make a popular consultation. That would be the next phase.

The problem is that this takes longer. Democracy is precious. It takes a long time to achieve. Some countries have taken centuries to consolidate their democratic system. We started ours only eight years ago. This is why we are facing serious difficulties. You can rest assured I will do what the Guatemalan people want me to do and are demanding that I do because I am committed to them.

President Unaware of Reasons for CSJ President's Trip

PA0809145993 Guatemala City PRENSA LIBRE in Spanish 5 Sep 93 p 6

[Text] President Ramiro De Leon Carpio said on 4 September at the Presidential Palace that he does not know what made Supreme Court of Justice [CSJ] President Juan Jose Rodil Peralta to leave the country and warned that this will not stop the purge of the Legislative and Judicial Branches.

The president was asked by reporters about Rodil Peralta's sudden trip. Rodil Peralta took the Aviateca flight to Los Angeles, California, on 3 September. Rumors on the street say that Rodil left the country to avoid facing legal charges for mismanagement of Judicial Branch funds

However, during a news conference held on 30 August, Rodil Peralta said that "a very reliable diplomatic source had confirmed that a special commando had been formed to murder him, and for this reason he was forced to get his family out of Guatemala."

The CSJ president's home, located in El Bosque neighborhood, Zone 12, is being guarded by private security guards who claim they do not know where the former government minister is.

No one knows why Rodil Peralta left or whether he will come back to continue the purge ordered by de Leon Carpio, which includes forcing all the magistrates to resign.

President De Leon Carpio said: "I cannot comment on the situation since I did not know Rodil had left the country." It was learned that Rodil left the country at 2200 on board flight 960. De Leon Carpio also hinted that he will continue to encourage the purge of the Legislative and Judicial Branches.

A few days ago Rodil Peralta held a news conference at CSJ headquarters. At that time he said: "No one will force us out of here because that would be a de facto act." Several people demonstrated across from CSJ headquarters on 3 September to demand that Rodil and the other magistrates resign from office.

The Catholic Church, and the president himself, have demanded a purge within the CSJ in light of the constant charges of corruption.

Honduras

G-3 Ministers Meet Callejas on Central American Tour

PA0809200793 Tegucigalpa Telesistema Hondureno Television Network in Spanish 0100 GMT 7 Sep 93

[From the "Today" newscast]

[Text] The Group of Three [G-3, Colombia, Mexico and Venezuela] foreign ministers visited President Leonardo Callejas for two hours as part of their Central American tour. The tour began on 5 September in Panama and will conclude tomorrow in Mexico City. The tour's goal is to promote the 10 joint projects agreed upon by the Central American presidents and the G-3 nations on 2 February in Caracas, Venezuela. Among the projects are included electricity and railroad ties; forest protection; fight against cholera; job creation; and prevention of [words indistinct].

All of this takes into account [words indistinct] interaction in Central America. Here is what Mexican Foreign Secretary Fernando Solana and Colombian Foreign Minister Noemi Sanin said:

[Begin Solana recording] Mexico has made a commitment to sign a free trade agreement by January 1994 with Colombia and Venezuela. Colombia and Venezuela in turn are taking very firm steps to consolidate their free trade zone by [words indistinct] month. We are willing to do the same with Central America; this has already been consolidated with Venezuela and Colombia. Venezuela, Colombia, and Central America.... [end recording]

Mexican Foreign Secretary Solana said that NAFTA [North American Free Trade Agreement] will not only benefit his country; it will benefit the whole region. [Words indistinct] a clause whereby under certain conditions nations can join the agreement. Such expectations are promising.

[Begin Solana recording] We are working toward the same goal on different [words indistinct] free trade agreement with Venezuela and Colombia that in one year could include Central America. This means an area that has a population of 170 million and [words indistinct indistinct] million dollars. [end recording]

The foreign ministers said that while in Nicaragua the war had ended, danger was ever present. Currently the peace process and even previously approved aid have been put on hold.

[Begin Sanin recording] [Words indistinct] capital we will achieve development. More than with any other, we have to gather around Nicaragua in support and avoid that protectionism and economic difficulties that prevent its development even further. [end recording]

All the foreign ministers agreed that the situation in Nicaragua endangers Central American stability. Therefore, the international community must make an effort to help find a solution.

Nicaragua

Center Group Voices Support for Chamarro

PA0909042293 Managua Radio Nicaragua Network in Spanish 0120 GMT 9 Sep 93

[News conference by Alejandro Solorzano, Center Group coordinator, and Pablo Vigil Icaza, construction and transportation minister, with unidentified reporters following talks between the Center Group and President Chamorro at the Presidency in Managua—live]

[Text] [Solorzano] Good evening, distinguished members of the local media. We thank you for the patience you have shown by waiting for the conclusion of our meeting with Dona Violeta Chamorro, constitutional president of the Republic of Nicaragua.

As we entered the Presidency, some of you asked what we hoped to achieve at this meeting. We said that we first wanted to salute and voice support for Dona Violeta, and second, to tell her we will not allow certain people to have our heads, because, as the popular saying goes, they want our heads. We also told her we want the national dialogue to involve and benefit everyone.

We had a smooth and interesting conversation for more than two hours with Dona Violeta and part of her cabinet. We were informed about bilateral talks held by Dona Violeta and talks with the Central American foreign ministers, the OAS secretary general, and, more recently, with the Mr. John Maisto, the new U.S. ambassador to Nicaragua, who presented his credentials on 8 September.

We were given extensive information on the situation. Dona Violeta said that in each meeting she pointed out that the Center Group includes people who proposed to the media that she be the National Opposition Union [UNO] candidate in the 1990 elections. The president added that she, just like the Center Group, wants to settle problems in Nicaragua in a civilized manner. Chamorro said she (?admires) us and that the cabinet supports us in the search for a solution for the sake of Nicaraguan society.

We told her that we are willing to settle National Assembly problems within the National Assembly. We said that all 92 deputies, including the 51 UNO deputies—we include ourselves among them—the Yatama [Atlantic coast Indian group] deputy; Moises Hassan, the deputy of the Movement of Revolutionary Unity; and the 39 deputies of the Sandinist block can work together. We could establish a commission and an agenda to discuss the overall problem of the National Assembly.

We are now and will continue to be open to this because we want to solve the problems that have virtually paralyzed Nicaragua. The country cannot work and produce amid this confrontation. It would be wrong on our part to close the doors to talks, dialogue, and negotiation. That is what I had to say on behalf of the Center Political Group. We will now answer your questions.

[Reporter] Good evening, Dr. Solorzano. You said before entering the Presidency that you would ask the president to

include you in the national dialogue, that you wanted to be taken into account because you are a very important element in the dialogue, which includes the Sandinist National Liberation Front, UNO, and the Executive Branch. What came of your request?

[Solorzano] As we have said in other news conferences, we had not previously expressed an interest in participating in a national dialogue. All we wanted was to see the UNO, the government, and the Sandinist National Liberation Front [FSLN] begin the so-called tripartite dialogue for the sake of the nation. However, since they were asking for the heads of the Center Bloc deputies, it is only logical that we should feel that we have a right to participate in that dialogue. How can you ask for anyone's head without giving him the chance to present his arguments, listen, and propose solutions? That is the proper thing to do.

As we have told Dona Violeta, we do not want to hinder a possible tripartite dialogue, but when the time comes to discuss the problems affecting the National Assembly, the Center Group must be present as a political group to clarify why people have been asking for our heads and to discuss how the National Assembly problems will be resolved. We have already made proposals such as the ones mentioned before. There are three blocs: the Sandinist bloc, the Center Group, and the rest of the UNO bloc. A commission can be created with the participation of all three blocs to draft an agenda to discuss, analyze, and resolve the problems affecting the National Assembly. There are many problems to be resolved there.

[Reporter] We realize that [words indistinct] resignation, Dona Violeta cannot interfere with matters concerning the Assembly. However, we would like to know if the government has pressured you to change your attitude toward negotiations with UNO?

[Solorzano] No, not at all. Dona Violeta has said that the 51 UNO deputies must meet and resolve those problems, because she will not interfere in matters concerning another government branch. She has respected the Constitution, not only in her words but also in her actions. She said that the executive branch will not interfere in efforts to find solutions to the problems affecting the National Assembly. The deputies must resolve it themselves. It would be like someone trying to meddle in problems affecting municipal councils. As you know, the municipal councils are facing many problems, including the Managua Municipality. Those problems must be resolved by the councils themselves without foreign intervention.

[Reporter] I have a question for Solorzano. Has OAS Secretary General Joao Baena Soares pressured the Center Bloc members to resign, or did he support your participation in the dialogue? How do you view Baena Soares' arrival in Nicaragua to review the current crisis, particularly the political aspects?

[Solorzano] We must be very clear in saying that there has been no pressure either for or against us. We have been treated with the respect that nations and people like us deserve. Baena Soares has respectfully met with various groups; the foreign ministers have acted the same way. When someone is a mediator, he conveys messages and replies from one side to the other. That is all. There has been no pressure whatsoever.

Many rumors have been circulating. If Nicaragua could charge dollars for those rumors, I think we could resolve our economic problems. There was one rumor to the effect that the Center Group had not resigned because it was being pressured by the Sandinist bloc. I was really surprised to hear that. It is absolutely false. No one has pressured us. Those rumors have been going around for a long time. Each time the general budget is being discussed, rumors start about pressures from one side or the other. Really, I can assure you that those rumors are false. The OAS secretary general and the foreign ministers have treated us with absolute respect. No one has hinted at anything incorrect or outside the framework of Nicaraguan or international laws.

[Reporter] The Center Group has said that the National Assembly problems must be resolved internally, within the National Assembly, and that the various groups that make up the Assembly should form a commission to elect a new board of directors. What concessions would the Center Group be willing to make to restructure the board of directors?

[Solorzano] I have not said that certain problems within the National Assembly must be resolved first. It is true that there are many problems, all of which can be discussed at the negotiating table. Those problems include the board of directors. Why not? All subjects should be discussed not outside but internally, at the same table. The problems affecting the National Assembly include political, administrative, and economic problems, each of which must be resolved. How are we going to it? By discussing them at the negotiating table. What are we willing to give? In exchange for what? We want guarantees that we will work the way we should, as Nicaraguan society expects us to work. That will be seen at the negotiating table, in the dialogue. Thank you.

[Station announcer] We will now hear Pablo Vigil, construction and transportation minister, who on the government's behalf will report on the meeting held at the Presidency with the Center Group members.

[Vigil] Good evening, journalists. The president and members of her cabinet have just concluded a meeting with the Center Group deputies. The president had invited the group to exchange opinions on events related to the problems that have come up with regard to the national dialogue.

The importance of the Center Group has been made obvious during the dialogues held over the past few days. That is why it was important to exchange opinions with that group on how the executive has been upholding its position on the Center Group in spite of UNO's demands. This meeting dealt with that issue. The president has confirmed the executive's position on the UNO demands. The members of the Center Group have told the president

how they feel about the demands UNO has made to the executive in the past few days. Positions have been clarified. The meeting has been very positive. The president and her ministers told the group that everything related to the Legislative Assembly should be handled by that independent branch of the Nicaraguan state. The Center Group is satisfied and expressed its support for the government at this time, which is critical for national life. Do you have any question?

[Reporter] OAS Secretary General Baena Soares will leave tomorrow. He has basically said that he has found an intransigence in some sectors that will not permit a real national understanding in our country. Acting Foreign Minister Pale has said that all sectors must demonstrate a greater willingness to reach an understanding. Following this meeting with the Center Group and other meetings, does the executive see a positive way out of this problem, this conflict?

[Vigil] The executive, the government, and Violeta Chamorro in particular are looking for ways to make some very rigid positions more flexible. We saw during this meeting that the Center Group wants to find alternatives that will resolve the problem in the Assembly. We have heard some of their ideas and proposals, and they have expressed their interest in discussing the matter with UNO. They also expressed their willingness to discuss the composition of the Assembly board of directors. We believe these contributions are very valuable and that UNO should consider them.

[Reporter] Engineer Vigil, how would you describe Nicaragua's situation if UNO does not agree to allow the Center Group to participate in the dialogue? We understand that the Center Group is the core of the problem because UNO is asking for the entire group's resignation, and the Center Group is saying it does not want its head chopped off. It is even saying that it wants to participate in the dialogue. If UNO does not want the Center Group to participate, where does that leave the government? What can Nicaragua expect in the next few days?

[Vigil] The inflexible positions are definitely making the situation more critical. That is why the government and Dona Violeta are asking the various sectors to be more flexible. She believes the international community supports Nicaragua and has clearly expressed that support in the last few days. The Central American ambassadors have participated in this dialogue along with the Central American foreign ministers who came here to support us, the Group of Three, OAS Secretary General Joao Clemente Baena Soares, the group of jurists who will analyze the problems, and [U.S. Ambassador] Mr. John Maisto, who presented his credentials on 8 September and came with a very clear position from his government to try to get all sectors to contribute to the dialogue. We want to insist that positions should be more flexible. UNO must take a step forward. UNO is currently holding the most inflexible position of all. They are saying that if the government does not remove the Center Group from the Assembly, they will not participate in any tripartite dialogue. We believe their position is the most inflexible.

[Reporter] Engineer Vigil, I have two questions. The Center Group brought a clear proposal to the president; that is, to be included in the national dialogue. I would like to know the president's response. Did she agree?

[Vigil] It has already been agreed that the dialogue would be tripartite, which means the three largest forces in the country will participate. The inclusion or exclusion of the Center Group is something that should be discussed in the tripartite dialogue. The Center Group has said that the Assembly problem must be addressed in the Assembly among the 51 UNO deputies, who are the ones who must iron out that problem internally. If the Center Group is eventually included in the tripartite dialogue, that would be a decision made within the dialogue.

[Reporter] I have another question. You said the executive had asked the groups to make their positions more flexible. How can the Center Group make its position more flexible? What did the executive propose?

[Vigil] Currently, UNO holds the most inflexible position. The Center Group is willing to sit down with the UNO group or with sectors in the UNO group to discuss the situation. We believe the Center Group is correct, because UNO is asking for its head. Naturally the Center Group has the right to defend itself from such a request, and that is precisely what it has requested. The Center Group wants the opportunity to participate in a dialogue with UNO sectors to clear up the problem in the Assembly.

[Reporter] [words indistinct]

[Vigil] No. The Center Group members have simply offered to take an open and straightforward position. They are willing to discuss any matter they consider important and upon which they believe they should express an opinion.

[Reporter] [words indistinct] the UNO Political Council met this afternoon and [words indistinct] the people's support for tomorrow. They are asking first for Engineer Lacayo's head; second, for Humberto Ortega to be discharged; and third, for the entire Center Group to be fired. Is the government willing to yield to all those demands just to negotiate with UNO?

[Vigil] The government has already made its position very clear. We are not going to yield to pressure or blackmail. The president has the people's votes. She has the right to choose the people she believes are capable to form her cabinet and the ones she feels should accompany her. Regarding General Humberto Ortega, the issue was totally clarified in the president's 2 September speech. There is nothing more to be done than to wait until next year when he will have to leave his position. The president cannot, under any circumstances, yield to that type of pressure. Thank you.

Guzman on National Dialogue

PA0709195693 Managua Radio Nicaragua Network in Spanish 1723 GMT 7 Sep 93

[From the "At Midday" newscast]

[Text] A working meeting between the National Opposition Unity [UNO] and OAS Secretary General Joao Baena Soares has concluded. At the end of the meeting, Dr. Luis Humberto Guzman, one of the UNO Political Council leaders, told the local and international media that there was contact—he did not specify if in person or by phone—between Vice President Virgilio Godoy and Daniel Ortega, secretary general of the Sandinist National Liberation Front [FSLN]. Guzman confirmed that early this afternoon there could be a meeting between UNO political leaders and President Violeta Barrios de Chamorro. Here is Guzman, who is also leader of the Christian Democratic Party.

[Begin recording] [Unidentified reporter] What are the consequences and the cost of the new dialogue?

[Guzman] This is what we are pondering. So should, not only the UNO, but the other sectors too.

[Reporter] Are mechanisms being sought to help solve the problem at the National Assembly, not necessarily with the resignation of the Center Bloc deputies?

[Guzman] There was an UNO proposal but, unfortunately, there was never a counterproposal by the Executive Branch. We heard no alternative to our proposal. The government is always able to make known opinions and alternatives to this problem.

[Reporter] The people are demanding an agreement. Do you think this pressure could act as a boomerang, harming the image?

[Guzman] I think the UNO is sensitive to the population's demands. Even we require solutions, not cosmetic measures. We are willing to encourage solutions. UNO has shown flexibility. If one checks the agreements signed, for instance on the Judicial Branch, UNO has largely shown the president of the Republic's willingness. This has not been a binding agreement on the president. This shows UNO's willingness to be flexible, provided there are other proposals.

[Reporter] Does UNO know what Daniel Ortega and Godoy talked about last night?

[Guzman] We have been informed and we will receive a full report from Vice President Godoy in a few minutes.

[Reporter] [Question indistinct]

[Guzman] The president has said she is still willing to meet with UNO. Apparently, a meeting with her is being scheduled for this afternoon.

[Reporter] After this meeting with the OAS secretary general, can your people make your points for discussion in a national dialogue flexible?

[Guzman] We have presented our views to Secretary General Baena, who only has listened to us.

[Reporter] Did he make any specific proposals?

[Guzman] No, he just said he brought a resolution and that he is willing to listen to the various views.

[Reporter] What will happen if the government fails to get what is being demanded from the Center Bloc?

[Guzman] Our stand is not inflexible. This is the UNO stand, but we are interested in the government proposal. But so far we have heard nothing.

[Reporter] Do your people believe there could be a counterproposal?

[Guzman] That depends on the government's capability, initiative, and willingness.

[Reporter] President Chamorro said in her message yesterday that your people are demanding something impossible.

[Guzman] This seems to be a way of concealing a rigid posture. UNO has made a proposal. We are willing to hear a counterproposal. As long as the government does not make it, we cannot make an assessment.

[Reporter] Regarding Daniel Ortega's remarks saying you are unwilling to talk because you are intransigent?

[Guzman] I think Daniel Ortega is not the most qualified person to speak about intransigence. Not at all.

[Reporter] Is UNO willing to go to the national dialogue?

[Guzman] Absolutely. Provided the government honors the pledges it made unilaterally to UNO.

[Reporter] Will UNO meet with President Chamorro again?

[Guzman] We have never refused to meet. We are most willing to find solutions to the country's problems. [end recording]

UNO Withdraws From Talks

PA0809181493 Managua Radio Nicaragua Network in Spanish 1100 GMT 8 Sep 93

[From the "This Morning" newscast]

[Text] The National Opposition Union [UNO] unexpectedly withdrew again yesterday afternoon from bilateral talks with the government of Violeta Barrios de Chamorro, citing a lack of proper conditions. Minutes later, Presidential Spokesman Danilo Lacayo said UNO delegates came to the presidential building with the same intransigent and inflexible stand toward a solution of the national crisis.

Nevertheless, in a communique signed by UNO coordinator Duilio Baltodano and released last night, the coalition asked the Verification Commission to intensify efforts for dialogue.

National Police Support EPS

PA0809182593 Managua BARRICADA in Spanish 7 Sep 93 pp 1, 12

[Article by Juan Jose Lacayo]

[Text] The National Police Headquarters supports the Sandinist People's Army (EPS) Military Council's communique in its "fundamental, essential, and main parts." This was stated on 6 September by National Police Chief Fernando Caldera in response questions from reporters on the incident between the EPS and the executive following President Chamorro's announcement on 2 September, Army Day.

No representative of the executive attended the Police Commemoration [14th anniversary of its founding], although it was unofficially reported that the president had been invited to the event.

Caldera said: "We were very concerned, as soon as we heard about the incident. The National Police leadership met to discuss the situation, and we agree on the essence of the issue."

Caldera reported that the National Police leadership would meet today with the EPS Military Council "to be given a full explanation of the situation and to exchange points of view." Nevertheless, he explained that a public announcement on this issue has not been scheduled.

The high-ranking police chief made these statements at the conclusion of the commemoration of the institution's 14th anniversary.

Caldera stressed that these have been 14 years of sacrifice and effort and added that "we are working under very difficult conditions. Therefore, the professional role played by the National Police is praiseworthy."

Caldera indicated that the National Police's professionalization is progressing, despite difficulties and lack of resources. As far as the political situation is concerned, he added that the National Police trusts the community, regardless of political and ideological factors.

With regard to technical factors, he noted that the closing down for several years of the Police Academy has had a bearing on personnel training. "What keeps us afloat is our personnel's professional quality; we have lawyers, professionals in diverse fields, and those with technical training."

Among the guests at the police commemoration were Major General Joaquin Cuadra, who declined—through an EPS spokesman—to make a statement on the incident with the executive.

Another guest was Colonel Lenin Cerna, chief of the Information Directorate for Defense, who also stayed discreetly away from the press.

OAS Head To Depart 9 Sep; U.S. Envoy To Assume Role

PA0809233193 Managua Radio Corporacion in Spanish 2200 GMT 8 Sep 93

[Report by Carlos Maturana from the Independent Liberal Party offices for the "Five O'Clock Sharp" newscast—live]

[Text] Vice President Dr. Virgilio Godoy is leaving the Independent Liberal Party offices to meet with OAS Secretary General Joao Baena Soares. The National Opposition Union's [UNO] position remains unchanged. It has been said that, given the circumstances, Joao Baena Soares committed a serious political mistake by meeting with the Center Group. The Sandinist National Liberation Front reinforced that position when its parliamentary bloc began a bilateral dialogue with the Center Group.

Some political analysts think the OAS secretary general has concluded that his mission failed. He will reportedly leave the country tomorrow. John Maisto, the new ambassador from the United States and a politician with vast experience in Central American affairs, will definitely take his place. As you may recall, Mr. Maisto visited the country about six or seven months ago to meet with the president. At that time Maisto proposed that the president establish an advisory committee to help her govern. If memory serves us well, Dr. Francisco Mayorga and Dr. Emilio Alvarez Montalban, a prominent political expert, were among those considered for membership in that committee.

Further on Early Departure

PA0909003293 Panama City ACAN in Spanish 2042 GMT 8 Sep 93

[Text] Managua, 8 Sep (ACAN-EFE)—OAS Secretary General Joao Baena Soares reported today that he has advanced his return to Washington to 9 September after reaching the conclusion that "there is nothing else to do" in Nicaragua, which has gone into an overall crisis that is growing worse.

Baena Soares, who arrived on 5 September to help solve the country's problems, was scheduled to depart on 10 September, but today he decided to return on 9 September after completing "the first step of a ongoing process."

The Brazilian diplomat asserted that he has made all the contacts he planned to make in Managua, "and I hope they yield results so I can return, if that is what the Nicaraguans want." Baena Soares did not give any date for a possible return.

The OAS secretary general made a brief statement to the media upon leaving the Foreign Ministry, where he met this afternoon with the Tripartite Commission created last year by Violeta Chamorro's administration to investigate political crimes committed over the last three years.

Baena Soares met with General Humberto Ortega, chief of the Sandinist People's Army (EPS), earlier this afternoon at the General Staff headquarters. The topic of their discussion has not yet been disclosed to the public.

Baena Soares will meet with Vice President Virgilio Godoy in the next few hours.

"I think my first visit to Nicaragua will end tomorrow, even though I still have some meetings scheduled for Thursday," the OAS secretary general said.

Baena Soares stressed that he did not come to Nicaragua to "provide formulas for solutions, which I have clearly said since my arrival." He added that he is trying to "understand" Nicaragua's problems to inform himself of ways that he could help solve the crisis.

* Government Help Sought for Coffee Retention

93P20321A

[Editorial Report] Managua BARRICADA in Spanish of 23 August 1993 on page 2 reports that coffee growers in Carazo, Granada, Masaya, and Boaco are seeking government financing in order to offset the costs associated with retaining 20 percent of the coffee crop. According to the article, Concafe [Nicaraguan Coffee Corporation] officials David Robleto and Tomas Valdez have explained to growers that by selling only 80 percent of the coffee crop, prices will rise sufficiently to pay for the costs of storing the 20 percent that is retained. The article explains that while some growers acknowledge that the program contains some risk, they are willing to go along with it "in the hope [of attaining] better prices." Other growers, however, believe "the small producer will find it difficult to bear the costs alone" and that the system will for the most part benefit "large growers and exporters."

Demonstrators Continue Protesting Spadafora Verdict

PA0909005793 Panama City Circuito RPC Television in Spanish 2339 GMT 8 Sep 93

[Report by Fernando Fernandez; from the "Dia A Dia" newscast]

[Text] Demonstrators continued to protest in Panama City this afternoon against the Spadafora verdict issued in Chiriqui Province.

The National Movement for Justice in Panama demonstrated to repudiate the acquittal of seven of the ten soldiers implicated in the 1985 murder of Dr. Hugo Spadafora Franco and the verdict declaring former Legislator Rigoberto Paredes innocent.

[Begin Luis Eduardo Camacho, member of the National Movement for Justice, recording] With this march we are raising the consciousness of all Panamanians. We require a renewal of values in Panamanian society, but more importantly, we require an urgent and responsible reorganization of our legal system to guarantee true justice in our country. We need to have more and better judges, more trial courts, and better laws regulating trials so what happened this time, when people who confessed to their crime were set free, does not happen again. [end recording]

The march began at Plaza Porras with people walking down Avenida Peru and nearby streets until they reached Calle 50. There the marchers were greeted by a caravan of cars bearing posters and people waving handkerchiefs and shouting protests and slogans in remembrance of Dr. Hugo Spadafora Franco.

G-3 Foreign Ministers Cited on Free Trade Negotiations

PA0809171793 Panama City LA PRENSA in Spanish 6 Sep 93 p 2A

[Article by Ibeth Vega G.]

[Text] The foreign ministers of the Group of Three [G-3] on 5 September in Panama City said that the free trade negotiations between the Central American countries and Venezuela, Colombia, and Mexico will conclude within the next three months.

Venezuelan Foreign Minister Fernando Ochoa Antich, Colombian Foreign Minister Noemi Sanin, and Mexican Deputy Foreign Secretary Rosario Green began a tour of Central America on 5 September to supervise and promote the cooperation programs their countries have with the six nations of the region.

Colombian Foreign Minister Noemi Sanin said that Venezuela and Colombia are negotiating a free trade agreement with the Central American governments and that the Colombian Government has already signed a bilateral trade agreement with Panama.

Foreign Minister Sanin said: "Regarding this bilateral agreement, both governments are reviewing the list of products as well as exceptions."

Meanwhile, Mexican Deputy Foreign Secretary Rosario Green said that her country has already signed the trade agreement and that it will be implemented, gradually, over the coming months.

According to Green, Mexico could conclude the bilateral trade agreements with Costa Rica and Nicaragua by the end of the year and that talks with Honduras, El Salvador, and Guatemala could begin next year.

The G-3 delegation met on 5 September with President Guillermo Endara to discuss cooperation programs and plans.

Likewise, there are programs underway to train navy officers. In light of its experience, Panama will play an important role in this program.

Venezuela Sets Oil Debt Amortization at 15 Years

PA0809171993 Panama City LA PRENSA in Spanish 6 Sep 93 p 2A

[Report by Ibeth Vega G.]

[Text] Venezuelan Foreign Minister Fernando Ochoa Antich said yesterday that Venezuela is willing to give Panama only 15 years to amortize the $200 million that Panama owes for crude oil purchases through the San Jose Agreement. In addition, the payments must be in cash only. Ochoa said Panama presented a plan to renegotiate the debt in 25 years but that "Venezuela does not regard it as appropriate and has asked Panama to reconsider the deadline proposed."

Panamanian Foreign Minister Julio Linares has said that Panama is studying other alternatives, which he will present to the Venezuelan Government soon, to amortize the debt. "The government's economic team is studying a new proposal, but I cannot reveal it; first because it is not good for us, and second, I am not part of the team," Linares said.

Panama owes Venezuela and Mexico approximately $300 million, which the former government stopped amortizing in 1987.

Argentina

First Half Global, Mercosur, NAFTA Trade Figures Released

PY0809232793 Buenos Aires BUENOS AIRES HERALD in English 8 Sep 93 p 5

[Text] (NA)—Argentina's trade deficit for the first half of this year increased to $770.9 million—33.4-percent greater than the first half of 1992.

This figure was arrived at based on a total of $6.28 billion in exports and $7.05 billion in imports, the Indec [National Institute of Statistics and Census] census bureau reported yesterday.

Exports for the first half of this year increased by 6.6-percent over the same time period last year, jumping from $5.89 billion to $6.28 billion. Imports increased 9.0 percent, up from $6.47 billion to $7.05 billion.

Fuel exports jumped by 26.5 percent, industrial goods exports rose 16.9 percent and primary products exports grew 3.9 percent. Agricultural exports fell by 0.4 percent.

Capital goods imports rose to $1.62 billion, a 32.2-percent increase over 1992. Car imports were also up by 32.4 percent.

The main overseas buyers of Argentine products were Brazil, with imports of $1.21 billion, the Netherlands with imports of 593.8, and the United States, which imported $571.4 million of Argentine goods. Almost one-third of Argentine exports went to these three countries alone.

Argentina's imports came mainly from the United States—$1.57 billion worth of goods—followed by Brazil at $1.51 billion. Imports from Germany totalled $484 million, while those from Italy hit $441.8 million. Goods from these countries accounted for almost half of Argentina's imports.

Mercosur

Argentina's trade with Mercosur [Common Market of the South] southern cone common market countries produced a deficit of $224 million in the first half of the year—$549.1 million less than in the same period last year. Trade with Mercosur partners in the first semester hit $3.35 billion, accounting for 25.1 percent of Argentina's total trade.

Total exports increased by 75 percent. Exports increased by 75 percent. Exports to Brazil increased by 98 percent, to Paraguay by 29.6 percent and to Uruguay by 22.2 percent.

Of the $1.56-billion worth of goods Argentina exported to the region, 77.3 percent went to Brazil, 12.8 percent to Uruguay and the remaining 9 percent to Paraguay.

Manufactured goods were the main exports to the region, amounting to some $572.7 million—an increase of 55.1 percent over last year. Imports from Mercosur nations increased by 7.2 percent.

NAFTA

Argentina's trade with the members of the North American Free Trade Agreement—the United States, Canada and Mexico—produced a deficit of $970.1 million in the first semester this year.

Total trade with this bloc amounted to $2.43 billion, a 5.1-percent increase over the same time period last year. Argentina exported $730.5 million worth of mainly agricultural products to NAFTA countries and imported $1.7-billion worth of capital goods.

Brazil

Mercosur Monetary Referential Unit Proposal Under Study

PY0909003693 Madrid EFE in Spanish 2013 GMT 8 Sep 93

[Text] Brasilia, 8 Sep (EFE)—Diplomatic sources told EFE today that Argentina and Brazil are analyzing a proposal to establish a monetary referential unit within the Common Market of the South (Mercosur) as a means to help close the gap between different economic policies.

The proposal was presented by Brazil, during the meeting in Brasilia on 7 September between Brazilian Finance Minister Fernando Henrique Cardoso and Argentine Economy Minister Domingo Cavallo.

The sources said that the project for a Mercosur referential monetary unit was inspired in the European Monetary System (SME), and the confidential four-page draft excited the imaginations of the advisers for the two governments who participated in the meeting between Cardoso and Cavallo.

Both delegations committed themselves to studying the proposal and to convening another meeting within the next few days in Sao Paulo or Rio de Janeiro to continue discussing the subject—but this time with the participation of the other two Mercosur partners, Paraguay and Uruguay.

"We are ahead of the North American Free Trade Agreement in this matter," said a high-ranking official who participated in the meeting, in commenting on the proposal for a South American economic bloc monetary referential unit.

The project, which contemplates flexible exchange regulations for the four countries' currencies, will be useful in slowing down sharp devaluations or revaluations, and will contribute to orienting the national macroeconomic policies of the four member countries toward greater convergence in accordance with the challenge of creating a free trade zone.

The creation of the free trade zone, contemplated for 1 January 1995, may be postponed due to the difficulties

encountered by the Mercosur member countries in establishing a common external duty system, which has served to stress the partners' differences regarding industrial and economic development.

The Argentine economic stabilization program has been able to reduce the inflation rate to a zero index in August, while in Brazil, the largest and most industrialized Mercosur member country, the situation is hardly under control, with the inflation rate at this moment around 33 percent per month.

Country Reduces Taxes on Profit Remittals Abroad

PY0809145793 Sao Paulo FOLHA DE SAO PAULO in Portuguese 5 Sep 93 p 17

[Text] At the beginning of 1993, Brazil stopped being one of the countries charging the highest tax rates on profits and dividends remitted abroad by companies formed with foreign capital. The Constitution still discriminates against the entry and investment of foreign capital but the tax legislation dealing with investments has became more attractive.

Until December 1991, foreign companies in Brazil paid a supplementary and progressive income tax that had no equivalent in Europe, the United States, or Latin America. The total tax on profits was anywhere between 40 and 60 percent of the profit whenever the profit margin was larger than 12 percent of the capital registered at the Central Bank in the previous three years.

That tax was abolished in January of this year. By the same act, the 25- percent income tax on dividends remitted abroad was reduced to 15 percent. The country continues collecting a 25-percent tax on multinationals' profit remittals to their home offices abroad. The tax reform contemplated in the constitutional review project, which will be able to reduce taxes on productive activities and exports, will also be important in increasing Brazil's competitiveness in capturing foreign investments.

Professor Antonio Carlos Porto Goncalves, of the Getulio Vargas Foundation (RJ) [Rio de Janeiro], said the country's attractiveness "will depend on maintaining a tax structure similar to tax laws in other countries, especially those that offer, due to their characteristics, more in an attempt to attract investments."

In most other countries, laws regarding the remittance of profits and dividends have been changed frequently to favor the entry of new direct investments by foreign companies.

In those countries, tax legislation is based on the principle that "money enters only where it can exit." This was emphasized by a study by the EBCE (group of Brazilian Companies of Foreign Capital).

Mexico is obtaining the first results of this new philosophy in the treatment of foreign capital. Mexico, which received direct foreign investments worth $6 billion last year, does not charge income taxes on the remittance of profits and reduced the tax rate on the remittance of dividends abroad from 55 percent to zero.

Brazilian Socialist Party Elects New President

PY0909024493 Sao Paulo O ESTADO DE SAO PAULO in Portuguese 7 Sep 93 p 4

[Text] Federal Deputy Miguel Arraes has been elected president of the Brazilian Socialist Party (PSB). The former governor of Pernambuco was elected PSB president at the Fourth National PSB Congress in Maceio, which was attended by 1,500 people. Maceio Prefect Ronaldo Lessa was elected first vice president and Renato Soares, current Espirito Santo State justice secretary, was chosen secretary general. "The composition of the new party executive shows that the party will oppose President Itamar Franco's government, particularly his economic policies," Lessa said. Former Minister Jamil Haddad was elected honorary PSB president.

Chile

Poll Shows Frei Continues To Lead Presidential Race

PY0809235693

[Editorial Report] Santiago LA TERCERA DE LA HORA in Spanish on 29 August publishes on pages 6-8 under the headline "Gemines Survey" an 850-word unattributed article on a public opinion poll, conducted between 14 and 23 August in greater Santiago, by the School of Economics at the University of Chile for the Gemines consulting company. A total of 658 persons from different social classes and ages were selected at random, and interviewed in their homes.

The public opinion poll revealed that 52.9 percent of those polled approved of Aylwin's administration, while 26.1 percent were against it. The article notes that "support for the government is ebbing" as this is "the lowest score ever obtained by Aylwin's administration."

With regard to political party preferences, 25.4 percent of those surveyed had a preference for the Christian Democratic Party, while "43.8 percent defined themselves as independent." The second most popular party is the Independent Democratic Union (6.2 percent); followed by National Renewal (5.9 percent); the Party for Democracy (5.5 percent); the Socialist Party (5.0 percent); the Center-Center Union (1.8 percent); the Radical Party (1.2 percent); the Communist Party (1.1 percent); and the Humanist-Green Alliance (0.8 percent).

The article states that pollsters "openly asked those they surveyed who they would like to become the next president of the Republic." Of the 658 surveyed, 50.0 percent answered they would like Eduardo Frei to become the next president; 12.8 percent chose Arturo Alessandri; and 9.0 percent opted for Ricardo Lagos.

The article reports that "if elections were held on 5 September, 60.5 percent would vote for Eduardo Frei, 19.0

percent for Arturo Alessandri, 7.3 percent for Jose Pinera, and 4.9 percent for Eugenio Pizarro."

The public opinion survey also showed that, as far as political leanings are concerned, 15.7 percent identified themselves with the left, 12.3 percent with the center-left, 21.0 percent with the center, 10.9 percent with the center-right, 21.4 percent with the right, and 15.0 percent with "none, independent."

Pinochet Justifies 11 Sep Coup at Luncheon

PY0909030093 Santiago Television Nacional de Chile Imagen Internacional in Spanish 0100 GMT 8 Sep 93

[Text] General Pinochet has said that the draft bill presented by President Patricio Aylwin to speed up the trials against members of the military was transformed into a monster in the Chamber of Deputies. Pinochet spoke during the annual ceremony offered by the Rotary Club in his honor.

This luncheon, to pay homage to the Army and to Gen. Pinochet, was marked by the fact that we are near the 20th anniversary of the military coup. Rotary Club President Patricio Lenis said that the Army under the command of Gen. Pinochet saved the country through its decisive actions. General Manuel Garate expressed the Army's gratitude for the ceremony.

[Begin Garate recording] We were the ones who restored the democracy we are currently enjoying—we, the Armed Forces and the forces of order, with the support of all the Chilean people. [end recording]

As usual, during this annual luncheon Pinochet appeared very happy. He said that meetings like this contradict those who say that there is no unity among civilian and military men. He again said that the Armed Forces did not want to intervene on 11 September. In a severe tone, he also spoke about the charges of human rights violations raised against military men.

[Begin Pinochet recording] The day of 11 September came and we acted firmly. Not only on 11 September, but on 12 and 13 September, and during the four or five months during which we engaged in a very harsh battle. They never left their wounded behind. They wounded our men, but curiously they did not have any wounded. But we found blood stains. Then we were convinced that they took their wounded and dead in order not to leave any evidence. The human rights organizations are constantly complaining against us. This fact seems to have no weight in the case. Nothing we did has any weight for them.

The other day a woman journalist, whom I respect and appreciate very much, said to me: What about those poor mothers who lost their sons? Whose sons were arrested and never returned? [words indistinct] but it was because he was a criminal. Whom other than criminals was it that we took away? Criminals! Now that excesses were committed, well, we were in a war! We were in a war! It must be understood as such. It was not that we were acting against thieves. They were intelligent people, people who, when they raised their hands, had already killed a whole lot of people. [end recording]

Pinochet spoke about the bill passed by President Aylwin to speed up the trials against military members. He said it was a real gesture of reconciliation.

[Begin Pinochet recording] The Army (?appreciated) this law, and we praise President Aylwin for the support he gave to it. Why, you will ask. Because this support represented a step toward reconciliation. We considered it demonstration of good will by the president. His bill, therfore, which was like a nice little boy, well dressed, well combed, was sent to the Chamber of Deputies, where it was transformed into a monster, with an eye up here, another one down there... [laughs] No wonder the president withdrew the law. And we accepted this. Not because we are happy, but because instead of this monster, a law like the one the president sent to Congress should be approved. [end recording]

Pinochet Remarks 'Annoy' Aylwin

PY0809221093 Santiago Television Nacional de Chile Imagen Internacional in Spanish 1800 GMT 8 Sep 93

[Text] Comments made yesterday by General Augusto Pinochet have deeply annoyed President Patricio Aylwin and the government. During a luncheon at the Rotary Club, Pinochet again alluded to the German Army, and talked about the failure of Aylwin's bill and of the victims of human rights violations.

[Begin recording] [Minister Secretary General of Government Enrique Correa] The president is deeply annoyed by the comments made by the Army commander. His comments offended a friendly country, he got involved in politics when he commented on the bill debated in the Chamber of Deputies, and he offended the country's sensitivity by referring to the victims of human right violations with terms that are unacceptable.

[Socialist Party President German Correa] If the luncheons in the Rotary Club have become Pinochet's sad shows every year, the comments he made yesterday were really more than regrettable. They should be repudiated, and we categorically reject them. He admitted before the country that crimes were committed under his regime. He treated as bandits our countrymen who had a legitimate political position and struggled in this country, without weapons, for their ideals. Such is the case with Carlos Lorca, who was arrested and is still missing—he was kidnapped without carrying weapons; or the case of Ezequiel Ponce, who was secretary general of the party, and was also kidnapped. All the people who were arrested and are missing were kidnapped. There were executions for political reasons without trials, and Gen. Pinochet admitted that yesterday. [end recording]

Colombia

Ω Liberal Party Morality Statement Sparks Debate

93P2O324

[Editorial Report] A statement, in a recent Liberal Party document, that "morality" should not be an issue in the

presidential campaign (Santa Fe de Bogota Radio, 11 August) has been criticized by presidential candidates and potential candidates from competing parties, especially former Liberal Party presidential hopeful Enrique Parejo.

Liberal Party President Julio Cesar Turbay, has defended his party's statement, explaining that morality is a "superior ethical principal" that "existed before political parties" and, as such, should not be defended "in anticipation of electoral rewards." Turbay, a former Colombian president, rejected the notion that one party is the "morality party" and another is "the immorality party." He also said that morality and corruption are two different things, although he acknowledged that corruption arises from a disintegration of moral values. (EL TIEMPO, 12 August)

The sharpest critic of the Liberal Party statement has been Enrique Parejo, who recently withdrew his name as a contender for the Liberal Party candidacy, deciding to run as an independent following disagreements with Turbay and other party members over guidelines for the March primary. According to 12 August reports in EL ESPECTADOR and EL TIEMPO, Parejo went so far as to call for Turbay's resignation as party leader, citing his failure to preserve unity as well as his rejection of morality as a campaign issue. In rejecting the Liberal Party stance on the issue, Parejo contended that not only "true Liberals" but all "good people of the country" are acutely concerned about the "prevailing corruption." Citing such legendary party figures as Luis Carlos Galan, Parejo further argued that the Liberal Party had been the standard-bearer in the fight to bring about a moral restoration in the country and that anyone unwilling to continue this tradition lacked authority to lead the party, according to the dailies. It was widely speculated in the Colombian press that Galan was murdered during the 1990 presidential campaign on orders from the Medellin Cartel because of his strong stance against drug traffickers.

Turbay issued a strongly worded rebuttal to Parejo's attack, saying he sought to "put an end to [Parejo's] inaccurate interpretations" of the ideas expressed in the Liberal Party document. In his rebuttal, published in the 16 August EL TIEMPO, Turbay argued that Parejo's charges were the "best example" of exploiting the morality issue for electoral gain. Another example of this, said Turbay, was that Parejo had remained silent for 13 years only to "suddenly turn into an irresponsible accusor of [Turbay's] government" because of disagreement over the date of the primary. He noted further that whereas Galan had considered primaries to be a symbol of "unity," for Parejo the upcoming primary was a cause for "division." Turbay further rebuked Parejo by saying that "to slander people and twist their opinions is precisely one of the immoral practices of electoral moralists in their zeal for notoreity."

According to a 14 August report in EL ESPECTADOR, Parejo rejected Turbay's assertion that he was exploiting the issue, maintaining that he has long been fighting "for morality" and that his conduct in various public posts had always been characterized by his firm stance "against corruption of every sort." He charged that Turbay's administration was among those in which the "worsening in the process of moral decline" was most apparent, adding that while Turbay was not "directly responsible," he was however "politically responsible." Declaring that the country had seen one of the "worst manifestations of clientelism" during the Turbay administration, Parejo recalled that he had resigned from his post at the government agricultural marketing agency Idema, because of the Turbay government's unwillingness to fully investigate allegations of corruption in the agency. He also announced his intention to travel the country "to announce and defend" principles different from those of the "clientelists" whom he threatened to "expose," but did not name.

Former Senator Andres Pastrana, widely considered the Conservative Party's most likely presidential candidate, joined the debate by professing surprise at the Liberal Party's attempt to rule out morality as a campaign issue, according to a 13 August report in EL ESPECTADOR. He reportedly charged that Liberals were trying to cover up one of society's gravest problems. Pledging that he will continue proposing ways to eliminate corruption and immorality and challenging Ernesto Samper, who has been outpolling other Liberal Party contenders, to publicly declare his position on Turbay's statements, Pastrana made a point of contrasting the Liberal Party position on the morality issue with party dissident Enrique Parejo's views on the subject. As executive secretary of the Union of Latin American Parties, Pastrana organized an international seminar on fighting corruption which was held 2-3 August and attended by representatives from Latin America and Europe (EL ESPECTADOR, 2 August).

Parejo, in addition to debating Turbay, has also attacked Pastrana's anticorruption stance, describing it as an "opportunist" and "hypocritical attitude" that is common to those who "speak of the corrupt state as an abstraction," as if it were not made up of those "who commit or tolerate acts of corruption" (Medellin EL COLOMBIANO, 13 August). Parejo also said that, given the participation of Pastrana's New Democratic Force faction of the Conservative Party in the Gaviria government, it has no authority or credibility to speak on the subject of corruption, according to EL COLOMBIANO.

Commenting on the dispute while campaigning in Cartagena, Democratic Alliance/M-19 candidate Antonio Navarro Wolff advised both Turbay and Pastrana that "people who live in glass houses shouldn't throw stones" (EL ESPECTADOR, 16 August). ELAG/McCormick/POLCHF

New Paramilitary Group Emerges in El Cesar

PA0809132993 Santa Fe de Bogota Inravision Television Cadena 1 in Spanish 1800 GMT 5 Sep 93

[From the "NTC News" newscast; passages within quotation marks recorded]

[Text] A macabre paramilitary group has emerged in El Cesar. Its name is The Surgery [La Cirugia]. The group's

members kill their victims while dressed in medical robes. Here is a report from Adriana Villamarin, who went to Pailitas, the site of the group's operations.

[Villamarin] They were first seen in Pailitas four months ago. They wore white outfits with surgical masks and robes. Residents of Pailitas, a town located in the foothills of the Perija mountain range, say that they are the men of The Surgery, a new paramilitary group.

[Pailitas Mayor Manuel Mejia] "First I saw some fliers on the street, and I read them. The fliers spoke of a purge and stuff like that. Later, I was told that two or three people, I can't say for sure, dressed in white robes like doctors, and were seen in the vicinity of the mayor's office between 2300 and midnight."

[Villamarin] The Special Investigations Division of the Attorney General's Office has already found three people dead; all bore the group's macabre trademark, an incision made with a scalpel in the abdomen and a perfect surgical suture. The first victim was Camilo Pique, a Pailitas peasant who led an agricultural cooperative.

[Stella Pique, victim's wife] "Only his body could be identified when he was found, because his head was practically a skull. One could see holes as if he had been shot in the head."

[Villamarin] This is why nobody goes out after nightfall in Pailitas, because the men of The Surgery could be anywhere.

[Unidentified man] "They can be seen on the streets driving cars that have no license plates and wearing white robes. Nobody dares to go out after 1800 or 1900."

[Villamarin] The emergence of The Surgery has made the residents of southern El Cesar recall the late 1980's when the Black Hand and other paramilitary groups were active. The residents are scared again; as a result, streets in Pailitas are deserted after nightfall.

* Kidnappers Change Tactics in Response to Law

93SM0378A Santa Fe de Bogota EL TIEMPO in Spanish 24 Jul 93 p 11B

[Articleby Orlando Leon Restrepo]

[Text] Monteria—Three days after he was kidnapped by guerrillas along the border between Cordoba and Antioquia, Humberto Gaviria, a 40-year-old rancher, hugs his wife enthusiastically and breathes deeply, as if he wants to become drunk on the morning air of the savannah.

Although he is happy, the episode of his kidnapping is not over. His captors let him go on the condition that he pay them 10 million pesos in cash two days later.

On 9 February of this year, Gaviria was on his way to his ranch when he came across a guerrilla outpost in Valencia, along the road to San Pedro de Uraba. "I was driving with a secretary, the manager, and two ranch caretakers who were armed," he recalls. "I put the car in reverse and tried to flee, but they had us surrounded. Then there was a shootout, and we survived by the grace of God. Although the car had all its windows shot out and its tires deflated (the mechanics counted more than 300 bullet holes), no one was wounded.

"There were 28 men and two women. They pushed us face-down onto the ground and kept shouting at us: 'Murderers! Thugs!' They took our watches, chains, anything of value.

"They asked me who I was. I told them I had a small ranch in El Carmelo. The commander, whom they called Rodrigo, said that I was to go with them. The others were given their papers back and let go. They took me to a place called Semana Santa, where the camp was. There were about 200 men, from the Revolutionary Armed Forces of Colombia (FARC) and the Popular Liberation Army (EPL). We started negotiating my release with the leaders, Gavilan, Rodrigo, Ricardo, and Flaco Manteca."

The rancher was surprised when the guerrillas told him they would let him go in two days. But he had to agree to give them a fortune once he was freed. In addition, they had already taken 76 young bulls, with a market value of 30 million pesos, that were being fattened on a ranch of his.

After he was released, the rancher kept up his end of the bargain, but the guerrillas warned him that if he went back to his land he would be killed. Now, fear has forced him to coordinate all the activities on his ranches by cellular phone.

This case is just one more example of the new method of quick kidnapping that the guerrillas have implemented. They have changed their strategy in response to the strict measures contained in Law 40 of 1993, the antikidnapping act that allows the authorities to freeze the kidnappers' bank accounts and property.

Ramiro Cabrales, president of the Antioquian Federation of Cattlemen, says that the new modus operandi is to hold the kidnap victim somewhere, then take him to a camp and negotiate his release. They let him go under threat of death if he does not pay, or if he is lucky, they steal his cattle or burn his ranch.

Crisis in the Livestock Sector

This kind of kidnapping, which has resurfaced in the savannah region along with large-scale rustling, protection rackets, and extortion by guerrilla groups, is endangering the stability of the livestock sector, which is the economic mainstay of the region. There are 40 major cattle ranches and some 14,000 medium-sized ranching operations in Cordoba.

After a year and a half of relative calm, between 1991 and 1992, thanks to the peace agreements signed by the government and the EPL, an onslaught of kidnapping and cattle rustling has hit the area again.

According to statistics compiled by the XI Brigade, headquartered in Monteria, during the first six months of last year only four kidnappings were reported. During the same

period of 1993, the guerrillas kidnapped 12 people. Military officers believe these figures represent a decline in this crime from previous years.

Rodrigo Garcia Caicedo, president of the Cordoba Cattlemen Federation, claims that between 1988 and 1990, the average number of kidnappings per year in that department was 45. And although the number of cases reported since last year does not seem high, the fact that this type of crime had practically disappeared from the region after the EPL's return to legitimacy makes the situation appear more serious.

"Since the beginning of this year," says Garcia, "numerous heavily armed groups have reappeared in the upper Sinu and San Jorge areas, in the Antioquian and Cordoban Uraba region, and along the borders with Sucre and Bolivar. Few ranchers spend the night on their land, and the production of calves for fattening has declined."

Large-Scale Cattle Rustling

In addition, however, another crime has ranchers even more worried: well-organized, large-scale cattle rustling has become the scourge of ranchers. The operations are based in Barranquilla, and guerrilla money is involved.

There are several methods of cattle rustling, according to spokesmen for the XI Brigade. First, the perpetrators try to set up a protection racket. If the rancher refuses to go along, they have local guides and people familiar with the area go in and take large numbers of cattle from the ranch. They take the cattle to Uraba and leave them at various ranches that have been taken over by the guerrillas.

That is why it is very difficult to know where the cattle are at a given moment. They do not keep all the cattle together, because that makes mobility more difficult and leaves a trail. They take the cattle out of the region in trucks, and sell them by the lot. They threaten small-scale ranchers into giving them sales receipts and transport licenses from the Colombian Agricultural-Livestock Institute (ICA). "We have discovered a triangle between the towns of Necocli, Arboletes, and San Pedro de Uraba, covering about 300,000 hectares, where the stolen cattle are concentrated," says an Army spokesman.

Another method is to take the cattle, herd them into one place, and then call the owner to charge a "ransom."

According to reports from the Cordoba Cattlemen Federation, these rustlers have stolen some 6,000 head of cattle from ranches in Cordoba during the first three months of this year.

[Box, p 11B]

Ranchers Fight Back

Although the cattlemen of Cordoba acknowledge the efforts the Army has made to combat the large-scale rustling that has plagued local ranches, they are aware that the results have not been very encouraging. Of 6,000 head that have been stolen this year in Cordoba, the Army has recovered only 420.

In view of this situation, the ranchers themselves have decided to organize private vigilante groups to fight back.

These rancher vigilante groups exist in various parts of Cordoba, where they contribute resources to patrol a specific area. Fifty or more ranchers in a given area get together, contribute some resources, and hire someone recommended by the brigade, usually a retired soldier.

These groups have transportation and communication equipment and weapons, and they patrol the areas where the members' ranches are located.

The ranchers say that the vigilante groups are yielding good results, especially in Valencia, Monteria, Sahagun, Ayapel, Montelibano, Pueblo Nuevo, and Planeta Rica.

The authorities are also doing their bit to crack down on this crime. According to spokesmen for the XI Brigade, the Army has stepped up military intelligence in the area and has established a presence in most of the municipal jurisdictions affected by these problems.

Paraguay

Executive Branch Appoints Government Officials

PY0909011993

[Editorial Report] Asuncion ULTIMA HORA in Spanish on 2 September publishes on page 11 a 400-word unattributed article on several decrees issued by the Executive Branch making a number of appointments within the government.

The article states that Samuel Brunstein M.D., president of the Social Security Institute Administrative Council, has been named public health vice minister, to replace Raul Romero M.D.

The article reports that Cristina Munoz has been appointed secretary of women's affairs.

The article further reports that Emiliano Alarcon Lopez has been named agriculture under secretary, to replace Cayo Franco, who will now head the National Development Bank. "The controversial politician" Juan Manuel Frutos "will allegedly be appointed to fill the vacancy" left by Alarcon Lopez.

The article also states that Cancio Urbieta Esquivel will continue as chairman of the Agrarian Reform Institute Executive Board, and that Anibal Reinaldo Pangrazio Paes de Lima has been named executive coordinator of the National Commission for the Regional Development of the Paraguayan Chaco Region.

New Foreign Minister Interviewed on Trade, Relations

PY0909025193 Asuncion ULTIMA HORA in Spanish 6 Sep 93 p 21

[Interview with Foreign Minister Diogenez Martinez by unidentified reporter; place and date not given]

[Excerpts] [ULTIMA HORA] The Mercosur [Common Market of the South] is currently going through difficult times. Will our country seek to create a broad consultation mechanism involving entrepreneurs and workers in the decisionmaking process?

[Martinez] Yes. We will try to create that mechanism, because Mercosur—more than an association of states—is an association of peoples involving the entrepreneurial forces of our four countries.

It is obvious that the main role must be played by people sponsoring the national development, those who represent the forces moving the country. They must actively participate in this common market we are creating.

[ULTIMA HORA] Does the government see Mercosur as a good project, or is it studying other alternatives?

[Martinez] President Juan Carlos Wasmosy favors Mercosur because it lies within the framework of integration and the creation of economic blocs, one of the main characteristics of the world economy today.

Paraguay will open its doors and its foreign policy, particularly its economic doors, to all countries of the world. We must begin by organizing the zone, the region. Mercosur is part of this process.

[ULTIMA HORA] Paraguay is now a GATT member. Does Paraguay have any specific projects within the system?

[Martinez] Paraguay fully supports the grand objective of freedom of international trade, which is one of the GATT goals. We are very interested in GATT because 116 nations are hooked into the system, and because it constitutes the great playing field where international trade takes place. Paraguay's entry into GATT is a positive step forward. [passage omitted]

[ULTIMA HORA] How, and through which projects, will Paraguay fully integrate with the international community?

[Martinez] First, we will develop the guidelines of an overall Paraguayan foreign policy plan. We are resorting to intellectual and academic circles, and even to the people in newspapers working on analysis of international policy, for that purpose.

Then we will establish an overall Foreign Ministry action program divided into concrete programs dealing with our relations with multilateral organizations and certain countries with which we have direct links, and particularly a background of profitable relations. [passage omitted]

[ULTIMA HORA] Our bilateral relations with Argentina are full of conflictive issues. How will Diogenes Martinez confront our most significant and persistent problems with Argentina, such as the Pilcomayo River diversion, Argentina's trade barriers, and the illegal stay of Paraguayan citizens in that country?

[Martinez] We will confront these problems with a just attitude, a legally irreproachable attitude, carrying in our hands the principles ruling the community of nations and bilateral relations. We will reestablish justice and correct any indication of unfair treatment or discrimination in Paraguayan and Argentine peoples' relations.

Paraguay will use just proposals to fully claim all its rights in jeopardy in its conflicts with Argentina. We should thus overcome the discrimination against Paraguayans and appropriately distribute Pilcomayo River waters.

[ULTIMA HORA] Do you think we must take a harder and more radical position when confronting these problems with the neighboring country?

[Martinez] One of the flags I raised when I was appointed was that Paraguay must have a more decisive and firm personality when dealing with other nations. Paraguay deserves as much as its larger neighbors, and it must sit down, conduct a dialogue, and negotiate on an equal footing with them, giving away absolutely nothing to its neighbors, and taking into account the juridical equality of all nations.

[ULTIMA HORA] Will the government renegotiate Annex A of the Itaipu Treaty?

[Martinez] The renegotiation of Annex A is a Paraguayan foreign policy objective in the field of our binational entities, specifically Itaipu. We will do our utmost to place Annex A within the framework of the original treaty guidelines. [passage omitted]

Secretary General Riera Resigns From Post

PY0909024593 Asuncion NOTICIAS in Spanish 7 Sep 93 p 16

[Excerpt] Interior Ministry Secretary General Enrique Riera Escudero yesterday submitted his resignation. Riera said that his resignation was due to his desire to return to his law practice. Sources said, however, that his resignation is due to his possible appointment as a member of the Paraguayan Central Bank (BCP) board of directors. [passage omitted]